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Midterm review of the UNDP strategic plan and annual report of the Administrator

Summary

This review is an important milestone in UNDP's pursuit to optimize its contributions to development outcomes around the globe. The review affirms that UNDP's primary contribution to advancing human development is through programming that supports inclusiveness, resilience and sustainability in the face of fast-changing international and national conditions. It points to important trends in demand and support: from MDG planning to MDG implementation; to solutions that support inclusive and sustainable growth; to approaches that encourage economic, social and political inclusiveness to expand people's choices and participation; and to approaches that recognize the critical inter-linkages among poverty, environment, crisis prevention and recovery, and governance to achieve sustainable and resilient societies.

In preparing this review, UNDP has done an in-depth analysis to learn from the accumulated evaluative and independent survey evidence, complemented by self-reported results and demand/expenditure profiling. The picture that emerges is of an organization whose differentiated profile across country typologies is widely valued. In line with its mandate and national priorities, UNDP is making important contributions to outcome level change.

This review also depicts an organization facing a number of challenges. UNDP must continue in its efforts to lift its results for transformational change, and work corporately and with national partners to sharpen its focus and capacities around strategic priorities that will enhance impact. Operationally, the organization must continue to pursue efficiency gains and better balance its evolving funding base with consistent performance across countries.

Moving forward, UNDP proposes adjustments to the development and institutional results frameworks for the second half of the strategic plan period. The future directions agreed with the Executive Board on this midterm review, together with UNDP's internal reform initiative, steps towards the integrated budget in 2014, programming arrangements, and roadmap to the new strategic plan starting in 2014, will provide the elements for the strategic priorities of the organization in the coming three years.

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The Executive Board is requested to take note of the report, approve the revised results frameworks contained in the annexes, and decide on any revision of the reporting schedule for the rest of the strategic plan period.

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Part I

1. Introduction - Advancing human development through inclusiveness, resilience and sustainability

1. This midterm review of the strategic plan for 2008-2013 presents an analysis of the performance of UNDP from 2008 to 2010. The review is informed by independent programme and thematic evaluations, as well as partner surveys and country reports. It complements UNDP's annual reporting on results by drawing key lessons from the first period under the strategic plan, and makes proposals for adjusting UNDP's operations to 2013 and beyond.

2. Human development is about expanding the choices people have to lead lives that they value. While economic growth is important, it is only a means of enlarging people's choices. Fundamental to expanding these choices is building human capabilities. People are at the centre of human development both as beneficiaries and drivers; as individuals and in groups. Environmental sustainability is embedded in human development, which is based on the simple yet powerful premise that what people value goes well beyond material factors, and space for choices are as important for future generations as they are for the present one.

3. Societies that are inclusive, resilient and sustainable are better at advancing human development. Inclusiveness refers to its political, social and economic dimensions, where inequalities decelerate development and prevent certain groups from participating in and benefitting from it. Resilience ensures that societies, communities and families can withstand shocks and bounce back with limited long-term damage. Sustainability gives the growth and development process long-term durability incorporating fully the environmental dimension and the rights and needs of future generations.

4. UNDP's contribution to human development rests on its cross-cutting development mandate and on its role as an impartial multilateral partner offering universal presence. It contributes in country, regional and global arenas, drawing on both the breadth and the depth of its presence and knowledge to offer policy and programmatic options that are tailored to reflect the needs and priorities of partners.

Between now and 2013: Accelerating progress towards the MDGs

5. The key milestones for advancing human development are defined by the development agenda that the international community set out in the Millennium Declaration of 2000 and associated Millennium Development Goals. These were complemented by additional commitments, including other internationally-agreed development objectives, and those emanating from national processes where often more ambitious targets have been set. To deliver on these commitments, partner countries are acting to sustain the gains in human development over the past decades, to recover lost ground, and to accelerate progress.

6. With its partners UNDP has produced analysis at the country, regional and global levels that has highlighted the country-led achievements made towards meeting the MDGs over the last decade. This progress demonstrates that achieving the MDGs is possible, and that much still remains to be done.

7. Many recent evaluations have shown that for the last decade UNDP has successfully advocated for the Millennium Declaration and the MDG agenda, developed institutional capacities at the national and local level for MDG-based development strategies, and helped to monitor and report on progress. Engagement with partners at all levels enables UNDP, as a universal and impartial development voice, to help systematize and share experiences, and multiply successes through learning, adaptation and application. But UNDP has gone well beyond a reporting and advocacy role to actively work with partners on designing and implementing policies to accelerate progress towards the MDGs.

8. UNDP together with the UN System will continue to work with partner countries, especially on those MDGs that have seen least progress, as part of its MDG Breakthrough Strategy and MDG Acceleration Framework. UNDP will concentrate on interventions that have strong multiplier effects to address multiple MDGs: investment in women and girls, targeted interventions in social protection and employment creation, local development and energy access for the poor. Experience shows that MDG achievement requires strong country ownership, democratic governance and approaches that foster inclusive and equitable economic growth. Moreover, as highlighted in several evaluations and associated management responses, better integration between the MDG agenda and macro-economic frameworks that accelerate domestic resource mobilization and public investment is key to ensure that MDG-related objectives are core considerations in economic planning.

Ensuring sustainability

9. Sustainability is embedded in the very notion of human development. There is clear evidence that current human activity consumes environmental resources faster than their capacity for renewal. Mounting ecological stress is reflected in biodiversity losses, land degradation, water scarcity, deforestation and increasing levels of hazardous chemicals in the environment, all of which add to the challenges of people living in poverty, many of whom depend disproportionately on the environment for their livelihoods.

10. On top of widespread environmental degradation, climate change has become a key threat to sustainability. For many of the poorest populations, the effects are likely to manifest themselves sooner, and with greater intensity. There is an urgent need to adapt to inevitable changes, while mitigating the causes of climate change through the transformation of economies towards low-carbon development. Cancun demonstrated that inter-governmental progress is possible to lead towards meaningful, long-term global action. As climate financing increases to $100 billion per year by the year 2020, UNDP will continue helping countries develop the needed enabling environment to successfully access, combine and sequence these funds in a way that influences public and private investments to promote sustainable development. To this end, UNDP intends to support partner countries in developing low-emissions, climate-resilient development strategies. UNDP will also continue to advocate for a fair climate change deal, and support partner countries to develop the capacities to participate in climate negotiations and secure effective use of climate financing. This will be especially important as the proposed Green Climate Fund is established.

11. Another threat is the loss of biotic systems and extinction of species, which is already having profound and potentially irrevocable effects on livelihoods. Against this backdrop, progress made on biodiversity in Nagoya is encouraging. Commitments made to increase protected areas are critical in sustaining the health of ecosystems and the services they provide. The Nagoya Protocol on sharing access to and benefits of genetic resources affords a major boost to biodiversity conservation while at the same time protecting the rights of local and indigenous communities to natural capital assets.

12. UNDP has supported partner countries to act on ecosystems, biodiversity, water, land, chemicals and climate change for 20 years, and has been recognized through evaluations to be "among the leading global organizations working in these areas." UNDP will also continue playing a leading role in integrating gender equality into the global dialogue on climate change and other environmental issues, and especially supporting the financial and institutional mechanisms to ensure that women have a real and equitable stake in the outcomes.

13. The poverty-environment nexus is an area for increased UNDP attention to ensure that environmental programmes fully consider the human development implications of the intersection of poverty, environment and energy. For instance, UNDP support to combat poverty will respond to growing energy demands, particularly for "off-grid" parts of society. For countries dependent on extraction of non-renewable resources, UNDP will work towards supporting sustainable use to ensure that depletion of

natural assets is mirrored by a build-up in physical, human and social capital. UNDP's work will complement that of partners to strengthen the impact on human development outcomes of macro-economic and public finance reform.

14. Finally, UNDP will help to implement new UNDG guidelines on climate change and environment, together with other development partners including UNEP and the World Bank. In its poverty-environment work, UNDP intends to respond to national demand for establishing social protection mechanisms, such as cash transfers and employment schemes. These can help diminish exposure to risks and enhance capacity for self-help and resilience in the face of environmental shocks. Women and youth will be central to these efforts, and a systemic approach to community- and local-based development approaches will emphasize voice, self-reliance, gender equity and the development of social capital.

Enhancing inclusiveness

15. Enhancing inclusiveness is critical for human development. Economic growth is a powerful engine of poverty reduction but only when people are not excluded from its generation process and its benefits. Inclusive growth must be complemented by political inclusion. Exclusion can deepen social divisions, and high and increasing inequality reduces the rate at which growth brings poverty down and can even slow down growth. Employment generation, especially for women and the growing number of young people in many developing countries, is critical for making the growth process inclusive. Agricultural development is critical for inclusive growth in many countries where most people live in rural areas with persistent food insecurity concerns.

16. Social protection can enhance inclusiveness by promoting equity and reducing extreme poverty. There is growing evidence that well-designed social protection programmes can work to enhance productivity and growth by, for example, increasing the assets of poor people or enabling them to take moderate risk to invest. Making planning processes more inclusive can improve the impact of investments in economic infrastructure, for instance through the expansion of communal roads that improve access to markets and public services, or the introduction of clean water supplies to reduce the burden of unpaid care work on women and girls. UNDP has worked with countries to design processes that strengthen the inclusiveness of public policies and investments to include the interests of women, youth and marginalized groups.

17. Strengthened systems of democratic governance and the rule of law at local, national and international levels can be a major catalytic force by promoting interaction with and participation among all stakeholders. Recent events in the Arab States region reaffirm that in fostering social stability and human development, economic growth and poverty reduction should go hand in hand with inclusive governance. UNDP will intensify its support to national demands for expanding spaces for dialogue and economic and social opportunities for women, youth, marginalized and vulnerable groups as voice, participation and accountability are central to human development.

18. UNDP continues to support civic engagement at the subnational and national levels as a means to improve policies and enhance capacities to deliver basic public services. Lessons show that such direct participation can promote greater transparency and accountability in the planning and expenditure of public funds. UNDP's support to electoral cycles and parliaments recognizes that inclusive participation and civic engagement are valuable, and can create the demand for responsiveness that appropriately reflects the needs and development aspirations of the people.

19. While inclusive participation addresses demand, it requires responsive and accountable public and private institutions that provide legal systems to manage conflicts and redress for harm suffered. UNDP will support effective, fair, responsive and independent justice and security institutions and processes, both formal and informal, which promote the rule of law and legal empowerment, particularly for the poor and

marginalized. UNDP will contribute to the development of the capacity of public institutions, including their ability to interact with representative bodies, the private sector and civil society.

20. UNDP further recognizes that in a globalized world, national actors must function at global, regional and national levels. All partner countries have made commitments and assumed international legal obligations for which national follow-up is ongoing. At the 2005 World Summit, Member States emphasized that the United Nations should "strengthen linkages between the normative work of the United Nations system and its operational activities." In line with this, UNDP will respond in its operational activities, at the request of national partners, to build national institutional capacity for implementing human rights, gender equality and anti-corruption standards appropriate in each national context. UNDP will also help partner countries to engage substantively in regional and global arenas to promote inclusive, sustainable growth and to ensure a "fair deal" for all.

Building resilience

21. Recent years have been dominated by sharp increases in commodity prices and by the global financial and economic crisis that led to the first global recession in decades. Crises are often viewed as one-time events, and solutions frequently do not address the complex and interrelated underlying vulnerabilities that many countries face.

22. Supporting countries to achieve development gains that can withstand such crises requires integrated and coordinated responses among many partners. In this context, UNDP will continue to play a critical role in assisting countries to expand their options, design and implement national development policies and plans to advance human development, and mobilize additional sources of development finance, including domestic resource mobilization.

23. While violent conflict between countries has been decreasing, there are still 40-60 countries with varying degrees of internal tensions and conflicts, which increase the vulnerability of these countries and divert scarce resources away from investments in people, infrastructure and institutions. In addition, the growing frequency and intensity with which the effects of climate change are felt around the globe further compound development challenges as witnessed in 2010 with the large-scale emergencies in Haiti and Pakistan.

24. UNDP aims to build resilient societies and institutions that can withstand threats to peace and development, and resume a long-term development path after crisis. In this context, UNDP's role in crisis situations has been found to be more relevant than ever. Strengthening justice and security sectors is vital to building a foundation for human development in difficult environments. In post-conflict environments, long-term visioning processes pioneered by UNDP have helped build consensus between political opponents and rival factions around the future of their country and the aspirations of their people. Redirecting public expenditures towards investments in social sectors, and with a bias towards women, youth and children, are also critical elements of rebuilding social cohesion and harvesting peace dividends in post-conflict environments.

25. UNDP acts collaboratively with the United Nations development system and partners to support countries through needs assessments, coordination efforts and mobilization of both humanitarian response and transition funding. UNDP's work on disaster recovery, such as UNDP interventions in the Indian Ocean tsunami or in the earthquake in Haiti, has helped countries speed the transition from the humanitarian phase to recovery and development.

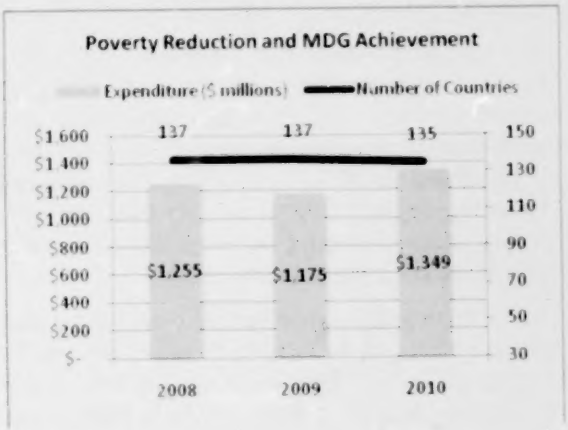
26. UNDP attaches great importance to its role in early recovery, disaster risk reduction and post-crisis reconstruction. UNDP supports the development of national capacities to identify, manage and reduce risks to prevent crises, including those related to slow-onset disasters such as climate change. The social dimension of UNDP's work will provide support to enhancing social cohesion as a means to prevent conflict and promote early recovery, promoting multi-actor dialogue processes, conducting risk

assessments and analyses aimed at early detection of tensions at community level, and building capacities to address the root causes of tensions before they lead to violence. Cooperation will include explicit strategies for strengthening social protection systems, promoting gender equality and enhancing social inclusion of marginalized groups.

2. Lessons learned in contributing to development results

2.1 Poverty reduction and MDG achievement

27. In 2008 global crises began to have a serious impact on human development worldwide, creating disproportional stress on the poor and vulnerable. Because of pre-existing gender inequalities women and girls are more affected. The number of undernourished in the world in 2009 rose to an estimated 1.02 billion, up from 915 million in 2008. The global economic crisis is estimated to have resulted in an additional 73 million people living under $1.25 a day by the end of 2010. Moreover, in Sub-Saharan Africa in 2009 up to 50,000 infants could have lost their lives as a direct result of the financial crisis, almost all of them girls.



28. These adverse effects on human development provide a stark reminder of the vulnerability of UNDP's partner countries to global events and that progress towards MDG targets can quickly decelerate and even reverse. However, even as the crises unfolded, evidence emerged to show the important role of pre-emptive policies and reforms in strengthening the resilience and sustainability of economies, and highlighted a range of responses that are effective in mitigating the social downside of crises and laying the foundation for inclusive recovery.

2.1.1 UNDP responding to country demands – and what we have learned

29. Partner countries relied on UNDP for a range of support services to design national development strategies to minimize the impact of crises and accelerate progress towards the MDGs. UNDP reported work in the area of poverty reduction and MDG achievement in 138 country offices from 2008 to 2010. In 2010, 13.0%, of all UNDP expenditures related directly to support to MDG-based development strategies and for planning, monitoring and evaluating MDG progress. Important shares were also reported in outcomes related to planning and resource management for HIV/AIDS, inclusive growth, private sector and local development.

30. UNDP worked with partner countries to assess the impacts, improve monitoring and early warning systems, and identify policy options to address the global financial, economic and food price crises based on analysis that went beyond broad macro-economic aggregates to cover household level and human development outcomes. Country office capacities to produce high quality and short notice analysis, and the translation of empirical results into clear messages for policy makers for action, proved to be key to lessen long term negative impacts.

31. Over the past three years, and with increased frequency leading to the 2010 Millennium Summit, national governments across all country typologies looked to UNDP to support the preparation of MDG Progress Reports. These and country-level experiences formed the basis for UNDP's international

assessment that identified the key drivers of MDG acceleration, and which were reflected in the Summit Outcome Document.

32. In a review of 30 country-level MDG assessments where UNDP has provided technical and advisory support, it was found that 90% of the countries had also integrated MDGs into their national plans and frameworks through the support of UNDP. Moreover, these countries had adapted, or tailored, one or more global MDG goals, targets or indicators to the national context. This is also acknowledged in the 2009 Partners Survey where more than 80% of partners globally rated UNDP as "very important" or "important" in effectively contributing to achieving international development goals, including the MDGs.

33. The MDG Acceleration Framework (MAF) was piloted in 10 countries prior to the Summit and more recently in four Sahel countries (Burkina Faso, Chad, Mali and Niger), covering both national and subnational levels. This work has demonstrated the importance of focusing on bottlenecks in the implementation of well-known interventions. A key lesson has been the important role that UNDP can play in galvanizing the UNS in a multi-sector and multi-partner action across all MDGs and across different country typologies. UNDP's role in the MAF has been particularly important in involving ministries of finance, economic planning and line ministries, to work directly on issues such as maternal health, gender equality and environmental sustainability.

34. UNDP recognizes the multiple synergies that exist between gender equality, poverty reduction and MDGs achievement. In 2010, 45.1% of expenditures in this focus area were found to have "principal" or "significant" contributions to gender equality. UNDP launched the Gender and Economic Policy Management Initiative (GEPMI), which in 2010 trained 70 economic planners from Africa and 30 from Asia-Pacific on incorporating gender dimensions into national poverty reduction strategies, economic policies and public finance.

35. In advancing the inclusive growth agenda, country offices reported important results in promoting employment, social protection and women's economic empowerment. These types of activities have an immediate effect in reducing poverty while they can also contribute to longer term resilience by enabling accumulation of physical and human capital and encouraging moderate risk taking. Regarding inclusive growth, the message from countries, especially those experiencing increases in income inequality, is that the growth process needs to be more effective in raising living standards. The growing demand for investment in physical infrastructure represents an important entry point for UNDP to ensure that concerns with national-level economic growth, industrialization and export promotion, are balanced with concerns for community-driven efforts to expand communal road networks, enhance access to modern energy sources in off-grid areas and improve sources of water and sanitation. UNDP also needs to work with partner countries to ensure that social protection programmes go beyond serving as safety nets, and are designed to enable poorer and more vulnerable people and communities to take part in and benefit from the growth process.

2.1.2 Evaluative evidence of our contribution

36. In 15 out of 42 ADRs, evaluators affirm that UNDP has successfully supported national partners in their MDG-based planning efforts to tailor the MDGs to the national context, and integrate the MDGs into national and subnational development plans. Through capacity development support and advisory services in planning ministries, UNDP has helped to transform National Development Strategies and PRSPs from "vision" documents into actual strategies with clear targets and indicators, clearly identified priorities and sector strategies, and robust links to macroeconomic frameworks. These efforts have addressed three frequent weaknesses in the planning process: inter-ministerial coordination, links between budgetary outlays and sector investment requirements, and monitoring of national development and poverty reduction strategies. Most ADRs indicate that UNDP was a major development partner working with the centre of government to support national development plans and development strategy formulation. In several

countries, UNDP has provided support for significant periods on a continuous basis. Even through periods of crisis, continuity has been a significant feature in UNDP's position in **Ethiopia**, **Rwanda** and **Viet Nam** [13]. (Here and throughout the numbers in brackets refer to the evaluations cited in the relevant tables.)

37. In **China**, "important contributions by UNDP poverty reduction initiatives have been to integrate MDGs into China's vision of a *Xiaokang* society and to strengthen the links between fiscal reforms and poverty reduction" [5]. The **Benin** ADR notes, "UNDP interventions have been effective in making poverty reduction strategies a national participatory exercise" [1]. In integrating growth and trade strategies into MDG planning, the **Cambodia** ADR notes "UNDP has been trying to link poverty reduction with private-sector-led market-based economic growth, which is precisely the strategy of [government]. UNDP activities […] are thus highly relevant both to the needs of the people of Cambodia and to the strategy [that the government] has chosen to meet those needs" [3]. In **Bosnia and Herzegovina**, relevant MDG targets and indicators were aligned with the EU social inclusion agenda, where "UNDP's approach raised the bar by incorporating the criteria of rights-based assessments and inclusiveness" [2].

Evaluations cited in this section

1. *ADR Benin (2010)*
2. *ADR Bosnia and Herzegovina (2009)*
3. *ADR Cambodia (2009)*
4. *ADR Chile (2009)*
5. *ADR China (2010)*
6. *ADR Guyana (2010)*
7. *ADR Indonesia (2010)*
8. *ADR Maldives (2010)*
9. *ADR Somalia (2010)*
10. *ADR Tajikistan (2009)*
11. *Outcome Evaluation of Country Programme Document, Serbia (2010)*
12. *Evaluation of UNDP Contribution to Environmental Management for Poverty Reduction: the Poverty-Environment Nexus (2010)*
13. *Evaluation of UNDP Contribution to Strengthening National Capacities (2010)*

38. Several evaluations note UNDP's local level contributions in capacity development and provision of targeted technical advice or assistance, and to scaling up such initiatives for broader transformational change. The **Tajikistan** ADR noted, "UNDP made a considered decision to work at the district and sub-district level. The participatory approach introduced by UNDP brought elements of responsiveness to local needs and community responsibility to contribute to service delivery at the sub-district." [10]. The **China** ADR reports that UNDP supported, through its expertise in institutional capacity development, to extend a local institutional innovation of agriculture extension services to over 1,000 counties across the 31 provinces in the country, benefiting 9 million farmers [5].

39. While recognizing UNDP's important contribution in supporting local development, evaluations also recommended that UNDP do more to scale up local interventions and disseminate successful initiatives to other locations. The **Benin** ADR raised concerns of an overemphasis on pilot projects, and suggests that UNDP "concentrate on expanding and networking its existing successful interventions by limiting short-term interventions to those that impact ongoing ventures" [1]. The **Guyana** ADR similarly states "while pilot projects are actually being implemented, greater efforts should be made to learn from and share lessons to improve the effectiveness and chances for long-term replication of these efforts." [6]. The **Somalia** ADR concluded that the primary contribution of UNDP should be "to facilitate mainstreaming of the best practices of local projects and replicate its innovative approaches" [9].

40. Evaluations note that UNDP has been a leader in promoting inclusive growth and inclusive development. UNDP's programme focuses on employment and social protection agenda, promoting inclusiveness, with particular target to women and vulnerable groups. In **Cambodia**, with UNDP's support, comprehensive approach to and specific targets for reducing human and income poverty through employment generation has been incorporated into the policy and planning framework of the country. In **Zambia**, as a result of UNDP's strong advocacy, programme support and coordinated efforts with other

UN agencies, the national development plan (2006-2010) prioritized gender mainstreaming interventions and women's socioeconomic empowerment.

41. **However, several evaluations also point out that UNDP could further sharpen its pro-poor and inclusive focus. The Cambodia** ADR suggests that UNDP should be more involved in rural development, in cooperation with other agencies, because that is where poverty is most heavily concentrated [3]. ADRs from **Guyana** and the **Maldives** emphasize the increasing need for UNDP to strengthen its support to employment for women and youth [6,8].

42. The recent evaluation of the poverty-environment nexus has found that in many cases "UNDP has used donor coordination processes or its role in formulating UNDAFs to encourage greater attention to poverty-environment linkages," and that the "Poverty-Environment Initiative is playing a unique catalytic role in integrating poverty reduction and environmental objectives in-country" [12]. However, while progress has been made in the areas of strategic planning and advocacy, at the advisory and programmatic levels, "policy is not yet systematically translated into practice" [12]. The evaluation recommends that UNDP "overcome the functional silos that prevent cooperation and integration between focus areas" [12]. To address this, the evaluation cites positive examples from the environment and energy unit in **Cambodia**, which is "widely respected for its competence in and support for poverty linkages in its environmental work" and the Bratislava Regional Service Centre, which "holds regular coordination meetings of practice area heads to discuss project ideas and identify cross-sectoral issues. The dominant factor in both instances is centre leadership, not institutional policy". [12]

43. UNDP's results in supporting poverty reduction and MDG achievement cover all country typologies. Evaluations of UNDP performance show that UNDP has differentiated value added, with programmes focusing more on poverty reduction in least developed countries and low-income countries, and on inequality reduction in middle-income countries and net contributing countries.

44. In least developed countries and particularly in crisis-affected countries, UNDP has been responsive to the immediate needs and has directly supported communities to restore livelihoods through generating jobs and income for families. However, the **Somalia** ADR suggests that UNDP should strike a better balance between interventions in support of building the capacity of government institutions, in the short and medium term, the chronic development needs of the vulnerable groups of the population, with a view of more directly contributing to progress towards MDGs [9].

45. In supporting the middle-income countries and net contributing countries, a clear strength of UNDP has been its strong convening power to promote participatory and inclusive development for poverty reduction, including by promoting public-private partnerships. The evaluation of the **Serbia** CPD notes that UNDP is recognized as a leader in the "pro-poor" social inclusion/inclusive development area. The work on empowerment of vulnerable groups particularly, and strengthening the institutions dealing with social issues is viewed as UNDP's strongest area of work, and also an area where UNDP should continue contributing in the future [11].

46. Another well recognized approach of UNDP in support to MICs and some NCCs is UNDP's local level initiatives for poverty reduction. As noted in ADRs of **Chile**, **China** and **Indonesia** and the outcome evaluation in **Serbia**, UNDP combines its support to policy development at the national level with localized initiatives effectively addressing regional inequalities both by bringing benefits directly to people, and through tackling structural constraints that hinder regional development. Considering the enormous challenges some middle-income countries face in climate change, especially repeated and devastating natural disasters, UNDP has made important contributions in handling acute emergencies and supporting livelihood recovery after disasters. Successful examples include UNDP's support post tsunami in Indonesia and after earthquakes in China.

2.1.3 Proposed improvements for the way forward

47. After more than two decades the human development approach is as relevant as ever. It will remain at the centre of UNDP's work and will provide a guiding framework for the organization and its partners for a renewed set of global and country-level commitments beyond 2015.

48. To streamline efforts in the final years of the MDG period, UNDP will continue implementation of the MDG Breakthrough Strategy to accelerate and sustain MDG progress. Notably through the remainder of the strategic planning period, there are three important areas where UNDP can strengthen its efforts in poverty reduction and MDG achievement.

The Way Forward

Poverty Reduction & MDG Achievement

The programmatic outlook is *evolving* as the 2015 MDG target date approaches:

- Shift from MDG advocacy and planning to MDG acceleration
- Focus on inclusive growth that also addresses gender and other inequalities and social protection
- Prioritize implementation of cross-thematic programmes that address HIV/AIDS together with advancement of gender equality, economic empowerment and access to justice

49. First, based on evidence of successful contributions to MDG-based planning, UNDP will align its resources and programme efforts to focus on lagging MDGs and support prioritized action plans through the MDG Acceleration Framework (MAF), endorsed by the UNDG as a living document.

50. In order to support implementation of the action plans that emanate from the MAFs, UNDP will support countries to scale-up proven local initiatives to achieve larger-scale benefits and deepened policy impacts. The UNDP MDG Breakthrough Strategy will provide a new global initiative and funding framework to scale-up MDG interventions at the local level in partnership with the United Nations Capital Development Fund. In tandem with mobilizing increased resources, UNDP and key partners will provide capacity development support to specifically enable the replication and scaling of successful local initiatives.

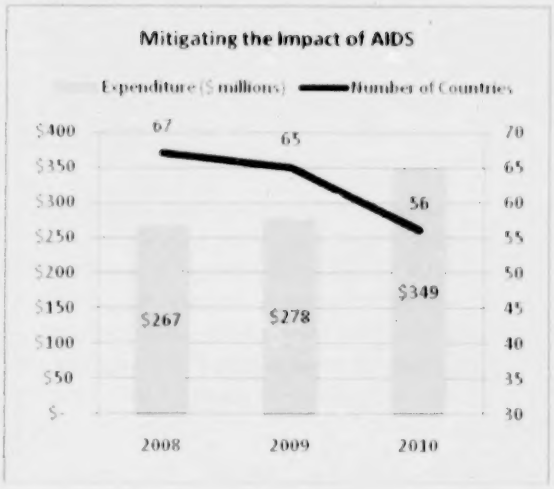
51. Second, the 2010 MDG Summit Outcome Document has provided the guidance and the UNDP international assessment report on "What Will It Take to Achieve the MDGs" has laid out a concrete action agenda for promoting a growth process that is more conducive to human development and attainment of the MDGs. In particular, UNDP will strengthen its efforts in promoting women's economic empowerment, income and employment generation and social protection. Activities here will contribute both in terms of accelerating growth and making it more robust to external shocks, as well as to make the process of growth more inclusive and equitable in terms of who contributes and who benefits from economic growth.

52. Third, UNDP will strengthen the poverty-environment nexus through policy and programme support to countries under the MDG Breakthrough Strategy. In future, these efforts will assist countries in mainstreaming climate change mitigation and adaptation into their national development plans to pursue a greener path for development – achieving a low emission and climate resilient society. The critical role of access to energy for the poor is discussed in more detail in section 2.5.

53. In strengthening the above three thematic focuses, UNDP will continue to tailor its support in different country contexts. Our focus in least developed countries and low-income countries will continue to be a priority, supporting the development of their capacities for the MDG action plans, local development, and their integration into the global economy. In middle-income countries UNDP will continue to support emerging development challenges, such as inclusion, inequality and climate change. UNDP's strong convening power to leverage participation of multiple sectors and stakeholders remains a clear and valued advantage.

2.2 Mitigating the impact of AIDS

54. HIV and other pandemic and neglected diseases disproportionately affect the poor and marginalized, leading to devastating consequences for individuals and their families as well as undermining development efforts more broadly. In addition, social, economic and environmental factors drive many health dynamics, with inclusive growth, human rights and empowerment of women contributing significantly to better health. Gender inequality is a key driver of the AIDS epidemic. In many countries, women and girls not only face a higher level of vulnerability but also they carry out the critical role and burden of providing care in families and communities affected by HIV and AIDS, often to the detriment of their economic and educational opportunities.



55. Over the last decade, national and global commitments have resulted in significant progress in slowing the spread of HIV and reducing deaths due to AIDS. New infections have fallen by 19% since 2009, and the number of people on life-saving treatment has increased more than seven-fold since 2004, to 5.2 million. However, an additional 10 million people are estimated to need treatment, and new infections continue to outstrip treatment scale-up, with two new HIV infections for every person starting treatment. Half of all people living with HIV globally and 60% in sub-Saharan Africa are women and girls, and HIV contributes to 20% of maternal deaths globally.

UNDP responding to country demands – and what we have learned

56. UNDP recognizes that strengthening linkages between HIV and health responses and broader development efforts is central to the achievement of the MDGs. From 2008 to 2010, 70 UNDP country offices implemented HIV programmes in response to national demand, and an additional 30 countries are estimated to have implemented HIV and supporting activities as part of other thematic or cross-practice programmes, usually addressing socio-economic determinants or governance dimensions. The majority of UNDP investments are focused on supporting least developed countries and those facing special development situations in building capacities to respond to development challenges resulting from HIV as well as tuberculosis and malaria, although several country offices have recently become involved in supporting the achievement of MDG 5 as well, in partnership with other UN agencies.

57. In sub-saharan Africa, which largely faces generalized HIV epidemics, programmes addressed links between HIV and poverty, and built capacity for effective governance and coordination of national HIV programmes. In other regions of the world, where HIV epidemics are concentrated among most at risk groups, there was a relatively greater emphasis on tackling HIV-related stigma and discrimination, protecting human rights of women and men living with HIV, and empowering marginalized groups. Advancing gender-equality and women's empowerment was a clear focus of programmes across regions, with 73% of countries noting significant gender contributions of HIV programmes.

58. As efforts to address the HIV epidemic have expanded, countries often grapple with the complexities of coordinating a comprehensive nationally-owned response that encourages the participation of diverse stakeholders, including civil society and people living with HIV. UNDP's approach in building capacity and resilience of local institutions and promoting multi-stakeholder engagement has been a key element for

supporting countries to strengthen governance and coordination of national HIV programmes. Partnerships between government and civil society have been critical to ensuring that national and local HIV responses involve meaningful participation of women and men living with HIV and address the needs of the most vulnerable and affected populations. Whereas inclusive governance and coordination of national HIV programmes received particular attention in least developed countries and low-income countries, this outcome was less represented among programmes in NCCs and upper-middle-income countries. While this outcome clearly represents a high area of demand, the predominantly advocacy and policy advisory nature of UNDP's engagement requires fewer resources compared to the other outcomes.

59. Protecting the rights of people living with HIV and promoting gender equality have proven to be central to ensuring sustainability and expanding the reach of HIV responses. However, punitive laws and policies, and stigma and discrimination continue to block effective responses to HIV by driving people away from prevention, treatment and support services. UNDP has played an important role by supporting countries to conduct analyses of national legislation and to adopt laws and policies to protect the rights of people affected by HIV. Advocacy campaigns and partnerships with religious and community leaders have also helped to challenge stigma and discrimination and address the HIV needs of most at risk groups, such as sex workers, drug users, men having sex with men and transgender groups. While promoting HIV-related human rights was a relative priority for programmes in middle- and low-income countries, this outcome received less emphasis among crisis-affected countries.

60. Gender inequality and harmful gender norms are not only associated with the spread of HIV but also with its consequences. The UNDP-led interagency initiative on "Universal Access for Women and Girls Now!", implemented in 10 countries, highlighted that social, economic and legal empowerment of women and girls is a key ingredient in the success of national HIV programmes. This requires integrating gender specific analysis and programming into HIV responses, as well as supporting countries to translate gender commitments in National AIDS Strategies into concrete programmes and budgets. Efforts to jointly mainstream HIV and gender priorities into National Development Plans and PRSPs have also proven to be effective in building synergies between national HIV policies and plans and gender policies and plans.

61. With respect to capacity development, UNDP's partnership with the Global Fund has helped to develop country capacity to effectively implement large-scale HIV, tuberculosis and malaria programmes in 37 countries since 2003. UNDP has achieved notable performance ratings despite acting as principal recipient in challenging country contexts. During the start-up of the UNDP - Global Fund partnership, shorter-term pressures to successfully implement programmes and deliver life-saving services sometimes overshadowed longer-term efforts to build capacity of national partners. While UNDP has successfully handed over its role as principal recipient to national entities in 12 countries, a review of capacity development efforts across the Global Fund portfolio points to the need for increased attention to capacity building. In the last year, UNDP has significantly strengthened capacity development efforts, with nearly half of countries where UNDP currently serves as principal recipient developing formal capacity plans in addition to ongoing efforts. Since 2008, we have seen an increasing level of demand for UNDP services in this area, from 6.2% of UNDP global development expenditures in 2008 to 7.3% in 2010, and early indications from new country programme documents indicate that the demand will remain relatively high. Eighteen of the 29 countries where UNDP managed Global Fund programmes in 2010 are least developed countries or countries in special development situations.

2.2.1 Evaluative evidence of our contribution

62. Recent evaluations provide an overall positive assessment of UNDP's contributions with respect to HIV. UNDP's key value-added is in incorporating HIV in national planning and advocacy, creating enabling legal environments and protecting the voice of the most vulnerable, enhancing local level implementation and civil society engagement, strengthening capacities and promoting gender equality. Some evaluations point to the need to promote more systematic integration of HIV as a cross-cutting issue

in UNDP programmes, and others note that capacity development initiatives in the area of HIV need to pay more attention to long-term sustainability.

Evaluations Cited
Mitigating the Impact of AIDS

1. *ADR Botswana (2009)*
2. *ADR Burkina Faso (2009)*
3. *ADR China (2010)*
4. *ADR Republic of the Congo (2008)*
5. *ADR Georgia (2010)*
6. *ADR Rwanda (2008)*
7. *ADR Somalia (2010)*
8. *ADR Zambia (2010)*

63. Evaluations highlight UNDP's contributions in informing and strengthening national development policies, plans and advocacy efforts. In **Rwanda**, one of 28 countries supported through a joint UNDP-World Bank programme on integrating HIV priorities into PRSPs, the ADR found that UNDP made significant contributions, including moving HIV from a health issue to a development issue. The evaluation noted, "UNDP is credited with advocating and helping to mainstream the county's response to the pandemic into the national development agenda" [6]. In **Zambia**, collaboration with the national network of people living with HIV "has sharpened the focus on the relationship between AIDS and poverty" and promoted gender-sensitive responses [8]. However, integrating HIV as a cross-cutting issue in UNDP programming has seen mixed results, as in the **Republic of the Congo**, where the theme of HIV "[was] not always taken into account at the initial planning phase, but reintroduced during the course of implementation" [4].

64. UNDP has been successful in contributing to district and community level HIV responses. For example, the **Botswana** ADR highlighted a programme engaging communities in decision-making and service delivery that "contributed to a new layer of community involvement in development. The ownership and accountability levels among communities are reported to be very high" [1]. The evaluation also found that efforts to establish CSO bodies and strengthen NGO networks "were some of the greatest outcomes of UNDP support. These institutions are now able to function on their own with the ability to identify new funding partners" [1]. In **Zambia**, "good progress is being made towards the outcome of a decentralized, multi-sectoral and community-based response, reaching out to all districts." [8]. In some cases, evaluations linked these successes to UNDP's strength in promoting multi-stakeholder engagement throughout the planning, implementation and monitoring of programmes.

65. HIV efforts were often assessed to contribute positively to promoting gender equality including in Zambia, where the programme has "a strong gender orientation," [8], and in **Botswana** where "UNDP-supported strategic interventions were central to strengthening the gender sensitive multi-sectoral HIV response" [1]. In **Burkina Faso**, while "most interventions are targeted at women who are considered the most vulnerable" there is a need to take into account the role of men and power relations [2]. The 2010 midterm review of the UNDP Gender Equality Strategy found that UNDP's HIV work has developed innovative approaches to integrating gender equality and women's empowerment.

66. UNDP has contributed to protecting the rights of people affected by HIV and increasing attention to marginalized and most at risk populations. In **China**, "UNDP interventions have contributed to the preparation of regulations relating to AIDS prevention and control," and have "paid special attention to vulnerable and disadvantaged groups" [3]. Similarly in **Georgia**, UNDP "contributed to the improvement of the legal environment" for people affected by HIV, in compliance with international guidelines [5]. In **Somalia**, the UNDP programme was found to be "well targeted in its focus on the most vulnerable in society," including women, youth and minorities [7]. Such efforts to create positive legal environments have been recognized as key to the sustainability of HIV responses.

67. Evaluations from several countries recognize UNDP's role in supporting capacity development for national partners and institutions to respond to HIV. In **Burkina Faso**, an "evident achievement" of UNDP's work has been in "strengthening the capacity of the [Secretariat of the National AIDS Control Commission] for planning and communication" and the organization has "benefitted from UNDP support since its creation" [2]. In **China**, "UNDP has played an important role in improving the government's

capacity for planning and coordination and in promoting the work of AIDS prevention and control" [3]. In **Zambia**, UNDP's contribution to the HIV response has been notable, "within the Joint UN Programme, UNDP has played a central role in developing capacity and knowledge of HIV and AIDS countrywide" [8]. And in **Botswana**, "UNDP played a pivotal role in achieving" the outcome to develop institutional capacity [1].

2.2.2 Proposed improvements for the way forward

68. Building on the findings of the midterm review, UNDP plans to adjust its HIV programming strategy to leverage successes and respond to identified challenges.

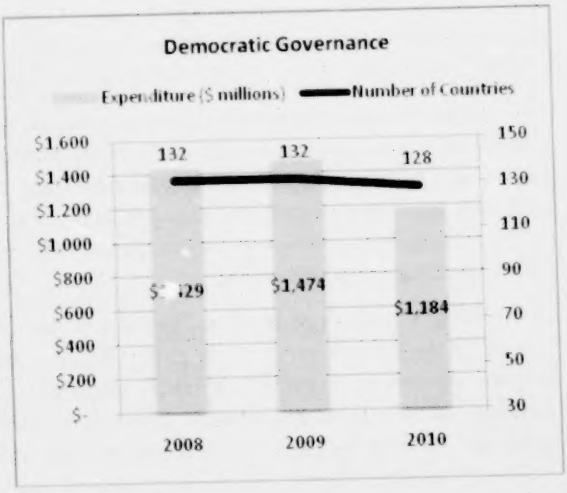
69. First, recognizing the value of linking action on HIV and broader development efforts, UNDP will prioritize implementation of cross-thematic programmes that address HIV together with key priorities such as advancing gender equality, economic empowerment and access to justice. This will involve development of cross-practice strategies and workplans, as well as operationalization of practical programming guidance.

70. Second, while good progress is being made in developing the capacity of national entities to take over the implementation of Global Fund HIV, tuberculosis and malaria grants, UNDP will significantly increase attention to longer-term capacity development. Moving forward, capacity development assessments and plans, prepared in collaboration with national stakeholders, will be an integral component for all new Global Fund programmes managed by UNDP. In addition, it will be important to ensure that successful HIV initiatives are effectively transitioned to national counterparts in situations where UNDP phases out support.

71. Third, UNDP will build on lessons to date from HIV work to address synergies between HIV and the broader MDG agenda and to play a supportive role in addressing socio-economic determinants more broadly. In support of the other UN funds, agencies and programmes that provide overall leadership on health issues and the health sector, UNDP will work with countries to implement strategic actions outside the health sector that can improve health outcomes, including attention as appropriate to governance and capacity development.

2.3 Democratic governance

72. UNDP is the only UN agency with a specific mandate to contribute to cross-cutting dimensions of human development. Expanding people's choices and opportunities, particularly those of women and other marginalized groups so they are empowered to participate actively in development processes, constitutes the core of human development. In addition, democratic governance provides space for people's voices to be heard, and enables societies and communities to build the resilience they need to overcome their development challenges. UNDP has continued to play a lead role in this area during the period under review, and collaborated closely with partner governments and other UN agencies.



73. The global economic crisis reinforced the importance of fair and transparent regulatory frameworks, and of responsive institutions to oversee them. Similarly, the crises in the Arab States region in late 2010 and early 2011 put the spotlight on governance. The call for transformational change emanated from

citizens collectively demanding change, participation, transparency and respect for people's quest for a democratic space. These events also confirm that the State needs to be a bridge between the aspirations of people and those with decision-making power.

74. UNDP's approach to help countries has been to synchronize efforts for building a strong, responsive and capable State, to deliver effective economic and social policies and manage service delivery that promote human development, together with initiatives that can help to nurture and enhance democratic spaces for women and men. More participatory and gender sensitive electoral processes, stronger engagement of civil society, respect for the rule of law – whether enforced through formal or informal justice systems – robust anti-corruption policies, gender equality laws and policies and better access to information are all essential ingredients of such efforts to strengthen democratic governance for the benefit of future generations. Especially in Latin America there has also been a growing demand to support their effort to face the challenges in citizens security from a state capacity, prevention and rule of law perspective.

75. The first three years of the strategic plan have seen a relatively steady demand for UNDP services linked to democratic governance (the decrease in expenditures is due to a change in reporting by CO Afghanistan from democratic governance to crisis prevention and recovery). The 2009 MOPAN assessment report ranked especially strong UNDP's strategic focus on governance, receiving the highest rating out of all indicators assessed in the report.

2.3.1 UNDP responding to country demands – and what we have learned

76. UNDP provided electoral cycle assistance in 60 countries in 2010, just under half of which had elections in 2010 supported by UNDP. In responding to demand, over 50% of country offices are using the electoral cycle approach in programming. To support this effort, a three-year, $50 million Global Programme was launched in 2009 to help countries improve their electoral laws, processes and institutions, and enhance the participation of women in electoral processes. UNDP has continued to develop knowledge and good practices in the field of women's political participation and elections; for example, in partnership with the National Democratic Institute, a "Best Practices Guidebook for Political Parties to Promote Women's Political Participation" was developed, the first global handbook on how political parties can promote women's political participation throughout the electoral cycle.

77. 51% of UNDP's expenditures in the area of democratic governance constitutes support provided to LDCs and countries in special development situations. Existing results data for UNDP support in this area also show that there is a very strong demand coming from the countries across the full typology spectrum.

78. Throughout the strategic plan period, support has been provided based on demand to strengthen both national and local governments and civil society participation in national planning and policies. UNDP support in this area can also be strengthened. Going forward, the focus will be on developing more integrated approaches around civic engagement, such as those currently being piloted in the Asia Pacific region ensuring that civil society organizations will not only be seen as service deliverers but also as partners in the development process.

79. UNDP's work on gender based violence in partnership with other UN agencies and now with UN Women, is well suited to upstream policy dialogue and capacity development, and a 2009 mapping reflected that nearly a third of all UNDP programme countries have ongoing initiatives in the area, including through joint programmes. These programmes include developing gender-based violence legislation; building legal and judicial institutions that increase the security of women and adjudicate cases in a gender-sensitive manner, and working with men and boys to prevent gender based violence. However, more needs to be done to integrate gender-based violence across the range of UNDP's relevant governance interventions.

80. UNDP's support to anti-corruption is expanding. 103 country offices responded to demand for development and strengthening of national policies, strategies, institutions, and national dialogue on anti-corruption. In many cases, this has led to the implementation of the United Nations Convention against Corruption, which was ratified by 151 Member States. UNDP is also working with partners to mainstream anti-corruption into sectors such as health, water and education, and climate change, particularly in the context of MDG acceleration.

2.3.2 Evaluative evidence of our contribution

81. Numerous country level assessments and thematic evaluations point to UNDP having contributed to significant results in such areas as supporting women's political participation, local governance, strengthening the capacity of human rights institutions, and access to justice, especially where other UN agencies and development partners may not have had a strong presence. A recent evaluation of Norwegian democracy support to the United Nations highlights the positive impact of UNDP work in this area. However, these same evaluations also highlight a number of challenges and offer suggestions for improvement.

Evaluations Cited
Democratic Governance

1. *ADR Afghanistan (2009)*
2. *ADR Benin (2008)*
3. *ADR Bosnia and Herzegovina (2009)*
4. *ADR Cambodia (2010)*
5. *ADR Chile (2009)*
6. *ADR Republic of the Congo (2008)*
7. *ADR Guatemala (2009)*
8. *ADR Indonesia (2010)*
9. *ADR Uzbekistan (2009)*
10. *Evaluation of the Democratic Governance Thematic Trust Fund (2008)*
11. *Evaluation of UNDP Contribution to Strengthening Local Governance (2010)*

82. A number of evaluations note that there was insufficient evidence of influence on national level policy-making processes. In **Bosnia and Herzegovina**, it was found that UNDP interventions "at the local level should in future be linked to relevant macro level policy-making and strategies in order to contribute to a framework under which local activities should be conducted" [3]. Successful examples do exist, for example in the **Republic of the Congo**, where UNDP programmes successfully combine up and downstream activities. Downstream interventions help UNDP to gain the credibility and access needed to effectively engage in advocacy on several politically sensitive issues. "This combination of two levels of entry has been commendable and productive." [6] In **Chile**, by means of different social cohesion projects, "UNDP has been instrumental in adding new issues, which are crucial for democratic governance, to the agenda such as the involvement of the young population in the political process, democracy audits, increased transparency and access to information, as well as gender equity in political representation." [5] The evaluation of iKNOW Politics, a joint project of UNDP, UN Women, NDI, IPU and the International IDEA confirmed that iKNOW has proven the value of a website to advance women's political participation in new and innovative ways, and to scale up other traditional development strategies, such as networking, building awareness and mentoring.

83. Regarding better scaling of local initiatives, some evaluations note UNDP should "for the sake of greater efficiency and impact, make a systematic attempt to convert the pilot initiatives into larger-scale activities and seek out partners through whom the scaling up can be achieved" [4]. The evaluation of UNDP contributions to local governance notes, "whereas some initiatives have had a significant national impact, others have tended to be ad hoc and isolated, not systematic and strategic" [11]. Over two-thirds of projects funded by the Democratic Governance Trust Fund (DGTTF) were rated as innovative, and half of projects funded were able to secure funding to scale up [10]. Given that the DGTTF is set up as a "venture capital" fund to enable UNDP to support catalytic governance pilot projects that would not otherwise have materialized, a fifty percent success rate for scaling up is noteworthy. In **Mauritania,** UNDP and others fostered a national discussion on implementing quotas for women in politics, given the low rate of 3.5 percent of women in Parliament and local town councils. UNDP prepared a study on the legal issues

pertaining to quotas, provided support to the Parliament to adopt the "quota" law; trained women candidates; and with non-governmental organizations, carried out a public awareness campaign on women's political rights. Following the Mauritanian Parliament's adoption of a 10 percent quota for women in electoral ballots, the 2006 elections were a boost for women, with 30 percent elected as local officials and 18 percent as parliamentarians. Other successes in this area include an enhancement of living standards and area based development projects in **Uzbekistan**, where "institutions established under these interventions have been successful in facilitating the replication of the approaches in neighboring communities" [9]. The respective ADRs have also noted that seed funding in middle-income countries such as **Indonesia** and **Peru** have more frequently led to uptake by national institutions and partners as compared with LDC or crisis-affected countries where institutions tend to be weaker and programmes are highly dependent on donor funding.

84. Coordination and synergy of programming and knowledge sharing, across both practice areas and regions, is a challenge noted in many evaluations. In the area of local governance, the evaluation recommends "UNDP should more explicitly and effectively mainstream local governance into all its programmatic areas of support by developing a coherent framework that is firmly grounded in the practice of human development" [11]. At the country level, the **Benin** ADR recommends "de-compartmentalizing country office divisions by systematically organizing briefing sessions between sub-programme personnel and by encouraging the integration of cross-cutting sectors in project teams' work plans" [2]. With respect to cross-cutting areas, there was a "dispersion of efforts and mixed results for the cross-cutting sectors of gender and human rights, which have been managed without sufficiently clear indicators, directions or responsiveness." [2]. In addition, the local governance evaluation found, "[t]here have been instances in several countries of UNDP successes in promoting gender issues in local governance; however, a strategic and systematic effort at mainstreaming gender concerns into local governance has been missing" [11].

85. Effective capture and sharing of knowledge was found to be lacking in many cases; for example in the evaluation of the democratic governance trust fund, it was noted "BDP should use lessons learned from DGTTF projects to identify kinds of activities that work best in addressing difficult democratic governance issues," and "Much more proactive assembly, analysis and dissemination of DGTTF project experience are very important" [10]. This recommendation is being actively addressed and lessons learned exercises have been conducted or are underway in all regions. In the area of local governance, "UNDP has not been able to tap the extensive knowledge on local governance within the organization for better programming" [11].

86. Increasing the effectiveness of partnerships and coordination with CSOs and other partners is cited in several evaluations. In **Guatemala**, UNDP interventions "contributed to the strengthening of individual civil society associations," yet "these interventions initially lacked a strategy for creating a network of core organizations and a conceptual framework to promote dialogue with the State" [7]. The **Cambodia** ADR notes that UNDP should "seek collaboration with other development partners (including NGOs) so that successful pilots under the initiative can be scaled up to more substantial projects," and "it is important for UNDP to increase partnerships within its private sector development activities." [4]. However, in **Benin** UNDP "established an example of good practice in the creation of strong partnerships" with civil service organizations, donors and other development partners [2], and in **Indonesia**, "UNDP helped the CSO community build a self-sustaining critical mass of community groups and support facilities in each of the regions where the programme was active" [8].

2.3.3 Proposed improvements for the way forward

87. While UNDP has been credited with being instrumental in advancing innovations and breaking new ground in terms of supporting democratic governance interventions across a broad range of countries, evaluations have pointed to the need to place a greater emphasis on upstream policy work. Where this has taken place, UNDP has been able to catalyze change in national legislation and contribute to the development and effective implementation of national plans. To do this more consistently in the future, UNDP will ensure that country offices have effective analytical and programming tools as well as appropriate skills to link downstream governance work to upstream policy issues. In this effort we will give particular attention to improving knowledge capture and availability, paying special attention to enable South-South flows of knowledge and experience.

The Way Forward

Democratic Governance

The programmatic outlook is *stable* with support specific to needs of different country typologies:

- Continuing work across existing outcomes
- Greater focus on work in local development and local governance across practices
- Integration of gender equality will be tracked by outcome through the gender marker

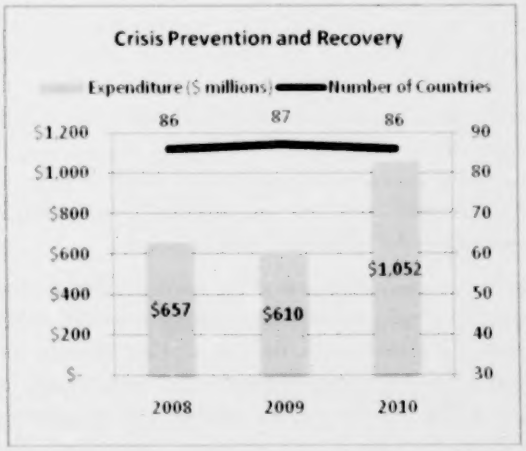
88. The impact of our democratic governance work has also been constrained by missed opportunities to promote greater synergies across programme areas and regions, particularly across practices in local governance and local development. UNDP is adopting a "problem-driven approach" to analyze institutional, governance and political drivers that affect MDG-related gaps, and designing programmes accordingly. In addition, UNDP is building on its significant contributions to women's political participation for a more systematic integration of gender equality issues in the areas of public administration, local governance, accountability and human rights.

89. To address evaluation findings that UNDP frequently treats civil society organizations as service deliverers rather than partners, UNDP is implementing a cross-bureaux strategy for civil society and civic engagement, with an emphasis on promoting citizen action and social accountability.

2.4 Crisis prevention and recovery

90. Violent conflict and natural disasters have long been recognized obstacles to stability, human development and the achievement of the MDGs. This is particularly so in developing countries lacking the resilience to withstand the impact of even minor shocks. Instead of bouncing back, countries can be pushed beyond critical limits, locking them in long-term stagnation and human development decline, from which it is extremely difficult to break free.

91. In the face of low resilience, natural disasters have become an increasingly frequent threat to stability and development particularly among the world's most vulnerable populations. The nearly 4,000 recorded disasters over the past decade have killed more than 780,000 people and affected over two billion more. Economic losses from natural disasters have risen from an estimated $76 billion in the 1960s to $660 billion in the 1990s and $960 billion by 2009. Eighty-five per cent of the people exposed to natural disasters live in countries with medium to low levels of human development, compounding poverty and inequality.



92. In 2010, there were 25 countries affected by armed conflicts of varying intensity around the world following a declining trend since the 1990s. As encouraging as this trend may be, in 2010 between 40 and 60 countries were still considered "fragile" and "conflict-affected." Overall, people living in conflict affected countries represent approximately 9% of the world's population, but comprise 27% of all those living in extreme poverty, 25% of all HIV positive individuals, and 20% of all who lack basic access to water. Naturally, the poorest and most vulnerable segments of society tend to suffer most acutely.

93. Countries affected by armed conflict and fragility are furthest from achieving the Millennium Development Goals (MDGs). According to a recent assessment, just 1 in 10 of these will successfully halve poverty and hunger as compared to half of all developing countries. More worrisome, countries experiencing fragility and conflict are also those most likely to regress back into war. Supporting countries affected by crisis is, therefore, key to the achievement of the MDGs. Most importantly, the potential for full community recovery is maximized if attention is given to the differing needs of women and men.

2.4.1 UNDP responding to country demands – and what we have learned

94. The number of countries reporting CPR results remained steady between 2008 and 2010. The growth in reported expenditures in 2010 corresponds to an increase from 14.3% of all UNDP expenditures to 21.9%, largely due to a reporting shift under the new Afghanistan country programme from democratic governance to CPR. It is also known that crisis-affected countries report results against outcomes in other focus areas, which are not included in these totals.

95. Women and girls are disproportionately affected by crises, and gender marker data indicate that two-thirds of the rated 2010 expenditures for crisis prevention and recovery went to projects that had high or significant gender relevance. This was the highest such rating for strategic-plan related activities. The sizeable focus on gender equality in UNDP programming for CPR is noteworthy and reflects the fact that women are much more vulnerable to crises than men. UNDP is also further strengthening its gender-based violence prevention work, including through joint implementation with DPKO, OHCHR and UN Women of key provisions of UNSC Resolution 1888.

96. During the review period, demand for UNDP services was highest in the area of restoring the foundations for development. UNDP's view of human development as a long-term process is consistent with the need for effective and resilient national capacities to be built through strong national leadership and sustained commitment over a number of years. However, more conceptual clarity is needed on UNDP's entry points at various stages of a crisis and how its interventions are linked before, during and after a country experiences crisis. In this regard, experiences show that clarity on what "disaster" and "risk" mean to UNDP is needed for more effective programming.

97. It is recognized in post-crisis situations that early recovery interventions in the humanitarian phase and in its immediate aftermath can be critical to getting institutions, communities and crisis-affected populations back on their feet and able to engage with the full recovery process. This requires UNDP to summon rapid response capacities when crisis strikes, while also securing the leadership and technical capacities to capitalize on "windows of opportunity" for early recovery and resumption of peace, and the transition to longer term approaches. UNDP's ability to predictably marshal the right human resources at the right time, matched with required resource levels, in multiple country settings at once, remains a challenge and a vital organizational priority.

98. Between 2008 and 2011, assistance for the prevention of violence highlighted the importance of supporting local partners to implement their own conflict management initiatives. Such initiatives not only yielded concrete results, but also allowed conflicts to be addressed at multiple levels. Peace agreements among the primary protagonists often remain fragile because of recurring tensions among communities, and among organized civic, religious and political groups. In several instances, UNDP supported local partners to address such tensions. Local peace committees, and the Uwiano Platform for violence

prevention, prevented potentially violent incidents during the peaceful constitutional referendum in Kenya in 2010. Local mediators deployed with UNDP support helped resolve land conflicts precipitated by IDP return in Timor-Leste, enabling the resettlement of 13,000 families during this period. Ghana's UNDP-assisted National Peace Council (NPC), the first autonomous statutory body of its kind anywhere, enabled the 2008 national polls to be conducted peacefully. Such capacities help address recurring conflicts around development issues such as land, natural resources and governance reform, and should be seen as vital to sustainable peace and development.

99. A number of areas require greater strategic orientation and more attention to documenting practices, assessing results and developing knowledge products. These include areas that relate CPR to environment and climate change, demographic shifts and the "youth bulge", livelihoods and employment generation, and post-crisis governance and state-building.

2.4.2 Evaluative evidence of our contribution

100. The evaluative evidence from independent and decentralized evaluations shows that UNDP is found to be able to deliver results under the most complex circumstances, in the aftermath of natural disasters or conflict.

Evaluations Cited
Crisis Prevention & Recovery

1. *ADR Afghanistan (2009)*
2. *ADR Bosnia and Herzegovina (2009)*
3. *ADR Georgia (2010)*
4. *ADR Guatemala (2009)*
5. *ADR Somalia (2010)*
6. *Evaluation of the Impact of UNDP Disaster Risk Reduction Interventions 2002-2009 (2009)*
7. *Evaluation of UNDP Contribution to Disaster Prevention and Recovery (2010)*
8. *Evaluation of UNDP Contribution to Strengthening National Capacities (2010)*

101. A 2009 evaluation of the impact of UNDP **disaster risk reduction efforts** states "UNDP programming for DRR was found to be relevant and appropriate, reflecting – on the whole – an understanding of the DRR problems at country level and responsiveness to national governments and donors" [6]. A key advantage noted was "UNDP's strong advocacy role, its reputation and its credibility make it an indispensable actor in disaster risk management, especially given that in many countries it is one of, or the only, institution that includes disaster risk reduction in its mandate" [6]. An evaluation conducted in 2010 notes that UNDP faced considerable challenges advocating the integration of disaster risk reduction at national level planning. To better meet this challenge, UNDP needs to prioritize integrating disaster risk reduction with other UNDP priorities such as poverty reduction, governance and climate change adaptation in all country programmes [7].

102. Several evaluations note that results of livelihoods programmes have been largely achieved, with significant numbers of workdays created, temporary jobs created, short cycle training provided, infrastructure rehabilitated, substantial cash injections into the local economy, and rehabilitation packages received. In 2010 alone, UNDP-sponsored productive employment initiatives created about 6 million work days that helped provide over 170,000 crisis-affected men and women in 10 countries with secure income, food security, money for small business start-up and access to key basic social services.

103. At the same time, evaluations point to instances where support to disaster recovery lacks a strategic focus, and has not been used effectively to strengthen national ownership and capacity [7]. Some also raise the issue of achieving short-term outputs that do not always translate into clearly measurable impact at the outcome level.

104. ADRs provide examples of successful and responsive projects to provide assistance for conflict-affected countries. For instance, ADR **Georgia** [3] highlights an intervention "designed and implemented within weeks after the conflict that not only presents high standard in responsiveness but also as a very sound transition from emergency assistance towards development assistance" [3]. After initial ad hoc efforts, the livelihoods programme in **Bosnia and Herzegovina** provided "entrepreneurial support based on

a detailed assessment of local potential, business constraints and the resources that are available both locally and within UNDP to address constraints," a value-chain approach that has helped to identify opportunities and provide benefits [2]. Improving partnerships in this area is suggested, as noted in the **Afghanistan** ADR, "greater use should be made of UN specialized organization execution in the area of sustainable livelihoods" [1].

105. A review of evaluative evidence of UNDP efforts to integrate conflict sensitivity across governance programmes shows that UNDP provided demonstrable impact on people's lives and in consolidating peace in a number of situations. For example, UNDP was the primary channel for international support to the post-conflict electoral process in **Afghanistan** and in the face of great challenges is supporting the building of capacities of independent national electoral institutions. In **Somalia**, UNDP led the recovery of local government service delivery capacity, and "succeeded in developing a comprehensive approach based on a participatory process within communities and incorporating aspects of gender" [5]. In **Guatemala**, "UNDP played a crucial mediating role in the peace process, opening spaces and facilitating processes of dialogue between opposing groups, mobilizing international capacities and connecting processes," and "UNDP's special position grants it a function of a hinge between the Government and international organizations." [4].

106. According to evaluations, UNDP country offices have successfully strengthened capacities in rule of law, justice and security sectors. Specific results include improvements to the geographical scope of rule of law institutions through mobile courts, infrastructure support to courts, and skill enhancement through training or management system support. Evaluations also note, though, that UNDP has not consistently supported all institutions and agencies across the penal chain (police, lawyers, prosecutors, courts, line ministries), resulting in uneven capacities. In addition, rule of law projects were sometimes small scale, single sector and short-term. These observations challenge UNDP to be both comprehensive and strategic.

107. Several evaluations characterize UNDP's support to post-conflict governance as lacking strategy, both at the national and local level, and spreading resources across multiple priorities resulting in missed opportunities for real impact. In environments in which national capacity was heavily affected by conflict, there is also a need for UNDP to "strike a more appropriate balance between interventions in support of building the capacity of government institutions and initiatives to help address, in the short and medium term, the chronic development needs of vulnerable groups." [8].

2.4.3 Proposed improvements for the way forward

108. The 2009 UNDP Partners Survey found that 49% of partners globally give UNDP a rating of "very important" or "important" with regard to the extent to which UNDP is effectively contributing to achieving crisis prevention and recovery goals. In addition, 60 percent of partners rate UNDP as a "very important" or "important" partner in achieving these same goals.

109. A Danish review of UN engagement in fragile and post-conflict states found that "for UNDP the overall finding is that the organization has the key role to play in fragile and post-conflict states, particularly when it comes to the international community's engagement in governance and state-building." Regarding cross-practice integration and knowledge sharing, the review recommends that UNDP "provide staff with a better skills-mix" and inputs to encourage more "innovative interventions," in order to complement UNDP's development profile with

The Way Forward
Crisis Prevention and Recovery

The programmatic outlook is *consolidating*:

- Outcomes will articulate a distinction between support for prevention in disaster and conflict settings
- Outcomes will be consolidated to better reflect programmatic entry points for economic recovery, including livelihoods and income generation, as well as post-crisis governance, including security and justice systems, and capacities for service delivery

recovery and transition skills. The report also finds that "UNDP, in addition to its ongoing work in conflicts, still needs to strengthen its capacity in transition/recovery."

110. A review of evidence identified areas for improvement in crisis prevention and recovery, including: the need for a more strategic and focused approach to post-conflict governance support; better mainstreaming of disaster risk reduction in UNDP programming; ensuring better strategic balance between supporting long-term recovery needs and "event-based" support; and ensuring that UNDP support leads not only to short-term benefits but to longer term development outcomes.

111. Responding to the recent evaluation of UNDP support to disaster risk reduction and early recovery, UNDP will be establishing a more strategic and integrated approach to development planning and implementation, strengthening national ownership, and preparing itself for the possible global demographic shifts and climate change that will further shape new areas of intervention.

112. UNDP is developing a framework to guide its support to governance and state-building in crisis and post-conflict environments. This effort will be complemented by a wider lessons learned review of the UN's support to post-conflict public administration reform, and of UNDP's own contribution to peacebuilding. Based on these, UNDP will strike a balance between operating as a service provider of "last resort" to partners in highly charged political environments and delivering on governance objectives. This framework will contain clear strategies at both national and local levels to: better support effective capacity development; embed clear time frames and exit strategies; and avoid thinly spreading its resources across multiple priorities resulting in missed opportunities and lack of focus.

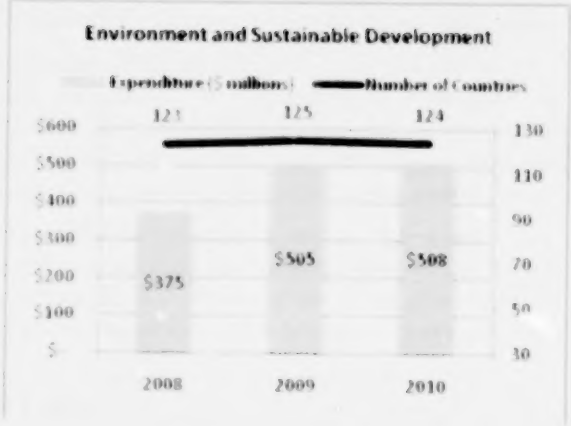
113. UNDP will, by end 2011, propose strategies to strengthen its contribution to livelihoods and job/income creation, particularly in relation to support to early recovery. UNDP also recognizes the need to develop such programmes with longer term development outcomes in mind, and is working with the ILO to this effect.

114. UNDP will continue to work in close partnerships with other UN entities such as the Department of Peacekeeping Operations, the Department of Political Affairs and the Peacebuilding Support Office around joint implementation of activities, country level strategic frameworks of action for the UN, support to UN RCs, and UNCTs facing crisis-related challenges. UNDP has defined a new partnership with the Peacebuilding Commission, Peacebuilding Support Office and Peacebuilding Fund. The relationship with the World Bank has received particular attention, including the signing of a Partnership Framework on cooperation, including a Fiduciary Principles Accord on management of MDTFs in October 2008. Cooperation for increased joint activities has also been identified around state-building, ISDR/GEF and conflict and post-disaster needs assessments. This effort to outline a clear division of labour between UN agencies in the peace building architecture will be greatly helped by the recommendations and the discussions stemming from the UN review on civilian capacities.

2.5 Environment and sustainable development

115. As development gains are threatened by climate change, the loss of ecosystems, the accumulation of hazardous wastes, and the lack of access to energy services, countries are anxiously seeking new approaches to sustainable development. Forests contribute directly to the livelihoods of 90 percent of the 1.2 billion people currently living in extreme poverty, yet forests are disappearing at the rate of 12.5 million hectares per annum. The 2010 *World Energy Outlook* estimates 1.4 billion people lack access to electricity, 85% of them in rural areas. WHO estimates that 5.6 billion working days are lost annually due to insufficient water and sanitation and 1.45 million people die prematurely each year from household air pollution due to inefficient biomass combustion. According to the World Bank, climate variability, experienced as weather shocks, has already significantly affected the average wellbeing of many rural households. Some 30 million of the world's most vulnerable people in coastal and island communities rely on coral reef-based resources as their primary source of food, income and livelihoods, yet these reefs are

threatened by ocean acidification resulting from climate change. All of these impacts fall disproportionately on the poor, particularly women and girls.



116. UNDP has been a critical proponent of environmental sustainability ever since the UN Conference on Environment and Development held in Rio de Janeiro in 1992. With support from the Global Environment Facility (GEF), set up to support the environmental conventions that were agreed at that time, UNDP has become a major supporter and implementer of environment programmes and projects in developing countries.

117. The importance of this work has come into sharper focus as ongoing climate negotiations endeavor to define the post-2012 framework for climate change, and as the world prepares for the Rio+20 Conference in 2012. This and the next global conference of the UN Framework Convention on Climate Change, to be held in South Africa in 2011, are critically important to ensure that environment and climate change policies recognize and protect the needs of poor men and woman. In this, UNDP continues to have a vital role in supporting its programme countries.

2.5.1 UNDP responding to country demands – and what we have learned

118. The first three years of the strategic plan have seen a steady increase in the demand for UNDP services in the area of environment and sustainable development. The number of UNDP country offices reporting work in this area now encompasses 90 percent of all programme countries, with expenditures representing 11% of all programme expenditures in 2010.

119. Nearly all results reports include a reference to climate change or climate change-related activities, and issues such as disaster risk reduction, forestry management, water and energy access are increasingly being addressed with climate change implications in mind. UNDP is well positioned in these areas. UNDP supported the implementation of climate change projects in 160 countries in recent years including support to 101 countries to develop their national communications under the UN Framework Convention on Climate Change and 31 countries to develop their National Adaptation Programmes of Action.

120. UNDP operates as a leading implementer of programming for GEF and for the Least Developed Countries Fund, the Special Climate Change Fund and the Adaptation Fund. Moreover, UNDP is an important actor in key international initiatives on forestry, desertification and land management, biodiversity conservation and ecosystem management, poverty-environment; climate change adaptation, chemicals management, disaster risk reduction, water resources management and energy access for the poor.

121. From 2006 to 2010, UNDP assisted partner governments to secure a total of $1.146 billion in funding from the GEF. Achievements reported in 2010 include the following: the establishment of 112 new protected areas covering 8.6 million hectares, avoiding 24.5 million tonnes of CO_2 emissions, disposal of 1,295 metric tonnes of dangerous chemicals and safeguarding another 220 metric tonnes, developing approaches to climate change adaptation in 29 countries, and the promotion of governance and management reforms in 93 countries.

122. On the ground UNDP plays an important role in strengthening national capacities in environmental management in general and responding to the threat of climate change in particular. In the 2009 Partnership

Survey, 82% of government respondents and 73% of all respondents said that UNDP is a "critical partner" in achieving environment and sustainable development goals.

123. UNDP is seen as an important partner in the field of environment and energy across all country typologies. In most LDCs, UNDP's focus is on sustainable management of the natural resource base on which many of the world's poorest people depend for their livelihoods. These are nomadic herders susceptible to dryland degradation, farmers faced with increasing water scarcity, foresters at risk due to deforestation, and fishers most vulnerable to the depletion of fish stocks. The SIDS in particular benefit from UNDP assistance in the area of climate change adaptation. Facing the threat of sea level rise, the SIDS and other low-lying coastal areas that are home to hundreds of millions of people could be the most affected during the coming century. MICs suffer as well, because with increasing incomes there is increasing consumption and related environmental degradation. Growing inequalities may also be linked to unequal access to benefits from environmental and natural resources and the disproportionate impact of environmental degradation on the poor. UNDP's role in these countries is to help effect market transformations that promote energy efficiency, improved solid waste management, safer handling of chemicals and especially persistent organic pollutants, and more cooperative and cost-effective schemes for water management.

2.5.2 Evaluative evidence of our contribution

124. The 2008 evaluation of UNDP contributions in environment and energy noted, "environment and energy are central to the mission of UNDP" [4]. The evaluation also concluded that UNDP made "significant contributions to international environmental efforts" and is now "among the leading global organizations working in these areas"; built up a "specialized and capable technical team at headquarters and in the regional centres that is a credit to the organization"; produced "high-quality analytical knowledge products recognized for their value in policy dialogue, advocacy and awareness raising"; developed and implemented high-quality environmental projects that are "impressive and innovative as stand-alone initiatives"; and implemented GEF projects efficiently and "made a significant contribution to its overall success" [4].

Evaluations Cited
Environment & Sustainable Development

1. *ADR Botswana (2009)*
2. *ADR Indonesia (2010)*
3. *ADR Peru (2009)*
4. *Evaluation of the Role and Contribution of UNDP in Environment and Energy (2008)*
5. *Evaluation of UNDP Contribution to Environmental Management for Poverty Reduction: The Poverty-Environment Nexus (2010)*
6. *Joint Evaluation of the GEF Small Grants Programme (2008)*
7. *Evaluation of UNDP Work with Least Developed Countries Fund and Special Climate Change Fund Resources (2009)*

125. The 2008 evaluation raised a number of areas for improvement as well. It recommended that UNDP increase its own core commitment to environment and energy, mainstream environmental issues within UNDP, diversify its funding base to be less reliant on GEF resources and priorities, and build country office capacities. In the past two years, UNDP has moved forward in all of these areas.

126. An assessment of the results reports indicates that there is room for improvement to ensure that environment and climate change programmes reach across practices to take full advantage of UNDP's experience in poverty reduction, governance and crisis. Country offices can take a more strategic – rather than project-focused – approach, driven by a systematic consideration of how environmental and climate change interventions can help catalyse the achievement of key development results. To achieve this, UNDP needs to further leverage its general access to the ministries of finance and economic planning to ensure that environment and climate change issues are more squarely at the centre of the national development agenda.

127. A good example of this is provided by the UNDP-supported South Africa Wind Energy Programme, which was cited by the recent report of the Secretary-General's High-level Advisory Group on Climate Change Financing (November 2010) as "an example of the importance of upstream technical assistance [provided by UNDP] to put in place an optimum mix of policy and financial mechanisms which are tailored to each country's unique market status and macroeconomic conditions. The result is a risk-reward profile that attracts developers and investors at scale."

128. With respect to mainstreaming environmental issues, the recent evaluation of the poverty-environment nexus noted that this area within UNDP "represents good practice and should be scaled up to provide a model of how UNDP does business at the country level. It should also be used as a model for working together with UNEP and other agencies" [5]. However, the evaluation noted "UNDP strategies and policies do not provide a conceptual framework or model on how to include the poverty-environment nexus in policy advice or programmes," and recommended more broadly that "UNDP must overcome the functional silos that prevent cooperation and integration between focus areas. Analysis of poverty and environment priorities should be incorporated into governance and crisis prevention and recovery, as well as gender support activities, and vice versa." [5].

129. In support of local communities, an evaluation of the Small Grants Programme found that it had been successful in mainstreaming and scaling projects to affect policy change. The evaluation noted that "replicating, scaling up, and mainstreaming local community activities have been emphasized," concluding that the programme has "contributed to numerous institutional reforms and policy changes in the recipient countries to address global environmental issues" [6]. Policy change was driven "by cultivating relationships with civil society organizations; local, provincial and national governments; academic institutions; other global organizations; and the private sector" [6]. Sixty per cent of Small Grants Programme efforts have directly or indirectly targeted the poor or the poorest.

130. In the area of low-emission and climate-resilient solutions, UNDP has been a pioneer and innovator. In Indonesia, to increase micro-hydro projects and business opportunities, UNDP efforts "stimulated a scalable and viable model for energy generation," and "the importance of work in this area and this well-targeted initiative suggests that UNDP is in tune with its comparative strengths." [2]. Through 2008, this effort has reduced more than 280 kilotons of greenhouse gases nationwide. In addition, **Indonesia** UNDP "has designed projects for sustainability through creating market-based components that generate revenue and by engaging partners with significant resources," and these projects "have created processes that employ local authorities and cooperatives to generate marketable services and products." [2]. However, the **Peru** ADR recommends that for innovative environment projects, "UNDP systematize lessons learned and disseminate them among its partners" [3].

131. In the area of capacity development, the UNDP **Botswana** environment programme was instrumental in strengthening the Department of Environmental Affairs in particular through developing systems and training, developing a communication strategy, and supporting environment areas in the national development plan. The ADR noted "the UNDP environment programme has significantly contributed to the sectoral needs and priorities of Botswana. UNDP support has helped to keep environmental issues on top of the national development agenda" [1]. "The strength of the programme lies in its comprehensiveness and holistic approach, including both technical and institutional support" [1]. The evaluation of UNDP work with the Least Developed Countries Fund and Special Climate Change Fund Resources found that while "GEF and UNDP are pioneers in the field of climate change and adaptation," "needs for capacity development in climate change and adaptation at various levels should be assessed and consecutive strengthening measures should be taken." [7].

132. In the area of gender mainstreaming, the 2010 midterm review of UNDP's gender equality strategy found that UNDP has "played a significant role in global environmental policy, drawing in the gender equality dimension to strengthen understanding and documentation" and as reflected in "expanded

partnerships and promising new agreements." The review found that UNDP's "most significant environmental achievement" has been its "lead role in integrating gender equality principles into climate change negotiations" including as reflected through the Cancun Agreement, creating entry points to gender mainstream climate change finance mechanisms, as well as community level work through the GEF small grants. However, the review found that UNDP still lacks commitment, staff capacities and operational frameworks to integrate more fully gender quality considerations into its environmental programming. Moving forward, UNDP will work to ensure that global commitments to gender equality are driven more consistently into environmental programming.

2.5.3 Proposed improvements for the way forward

133. UNDP has an important responsibility and key roles to play in assisting developing countries to enhance their capacities for charting new development pathways in the context of a changing climate and environmentally constrained world. Rising to challenges will require significant shifts in the way environment and climate change issues are handled within UNDP.

The Way Forward
Environment & Sustainable Development

The programmatic outlook is *evolving* in response to changing needs and demands:

- Scale up support to develop and implement low-emission, climate resilient development strategies
- Ensure environmental finance, particularly in climate change and biodiversity, is pro-poor and pro-development taking into consideration market mechanisms and bottlenecks
- Foster ecosystem management and energy access to reduce poverty and increase sustainable development pathways

134. To fully integrate climate change considerations, UNDP has initiated a program for developing the capacity of national and subnational governments to formulate, finance and implement Low-Emission, Climate-Resilient Development Strategies (LECRDS). UNDP will share, capture and disseminate lessons and expertise to strengthen the capacity of developing countries to move towards a low-carbon future. Lessons and expertise will take the form of methodologies, approaches and advisory support for formulating, sourcing financing for and implementing these strategies. UNDP brings to this effort a coordinated perspective for integrating adaptation and mitigation programmes into a broader agenda for poverty reduction and development linked to gender and related issues of social and economic equity.

135. UNDP has developed guidelines to mainstream environmental and social safeguards in UNDP's programmes starting in 2011. In addition, a UN Development Group Task Team co-chaired by UNDP and UNEP has developed guidance on mainstreaming climate change and environmental sustainability into Common Country Assessments and UN Development Assistance Frameworks.

136. Going forward, there will need to be a substantial internal investment in mainstreaming and capacity development to address climate change and the poverty-environment nexus as part of the development toolkit. Also, continuing to build a knowledge and evidence base will be key if UNDP is to capitalize on its comparative advantages and contribute more meaningfully to helping countries address climate change and environmental challenges in their development plans, policies and programmes.

137. There is a need to have a dedicated core policy advisory capability independent of projects; and the "boots-on-the-ground" initiative provides a great opportunity to build a core of policy expertise within the organization on climate change and the poverty-environment nexus.

138. Addressing environmental and climate change challenges and opportunities calls for a more integrated and strategic approach, given the cross-sector and economy-wide impacts and implications for gender equality, human development and achievement of the MDGs. Environmental and climate

considerations will therefore need to be mainstreamed into planning, programming and project work, and UNDP is in a strong position to assist countries in this effort.

2.6 Strengthening development effectiveness

139. This section highlights performance issues relating to the effectiveness of UNDP's development contributions. It identifies key commitments that respond to recurring findings from independent and decentralized evaluations. UNDP proposes to introduce a set of development effectiveness outputs and indicators to help guide and monitor the results of the organization in these areas for the remainder of the strategic plan period (see annexes).

2.6.1 Improving performance and responding to recurring evaluation findings

Strengthening capacity development

140. UNDP supports transformation by assisting national partners to develop critical capacities for achieving positive development change. UNDP is globally recognized as one of the leaders in support to capacity development and is a valued partner to governments, regional organizations and global networks. The strategic plan highlights capacity development as UNDP's overarching contribution, recognizing that institutions and individuals with capacity provide the resilience that countries need to achieve, consolidate and sustain development results.

141. The 2010 evaluation of UNDP's contributions to capacity development affirms the importance of UNDP's investment and attention to this area, and makes recommendations for UNDP to better position itself. It finds that UNDP has been "highly responsive" to national demand, but challenges UNDP to be more strategic in the way it engages with partners on capacity development priorities and approaches, and to strengthen internal programming and learning. In its management response, UNDP committed to address these challenges through a three-part agenda.

142. First, UNDP will work to improve how it integrates capacity development into programming processes, and will in particular address the challenge of achieving long-term capacity development objectives with tools that tend to be short-term and project-based.

143. Second, UNDP will address learning and support to networks for sharing of lessons and exchange of solutions and successful approach, including in post-crisis country settings that frequently face severely depleted capacities across a wide range of critical government functions.

144. Third, UNDP committed to find better ways to capture and communicate results in the area of capacity development.

Integrating gender equality as a cross-cutting development result

145. Gender equality is not only a goal in its own right, but also an important means for realizing all the other Millennium Development Goals. Throughout the first half of this strategic planning period, UNDP played an active and important role at global, regional and national levels to strengthen gender equality. Evaluative evidence demonstrates that while UNDP's gender equality contributions have been effective, there are opportunities to better integrate gender equality into UNDP programming.

146. UNDP's work is guided by the UNDP Gender Equality Strategy, which elaborates how UNDP will support countries to accelerate their progress towards gender equality as an integral component of human development. Through this strategy, UNDP supports governments to achieve gender-responsive capacity improvements in the following three broad areas, across all UNDP focus areas: (1) strengthened gender-sensitive government policy and planning systems and financial frameworks, including those for social service delivery; (2) empowered women to participate in all branches of the state, the private sector and civil society and to influence the decisions that will determine their future; and (3) supported government

institutions and women's organizations to collect, analyze and use better quality information and statistics on gender equality and women's empowerment.

147. A midterm review of UNDPs implementation of the Gender Equality Strategy found that UNDP has become a more gender-aware organization and is making significant contributions to results on the ground, but the application of the strategy remains uneven. In the poverty reduction focus area, a number of breakthrough tools and policies have been developed to strengthen UNDP's advisory services in gender responsive economic policy making, and to address the gender dimensions of HIV and AIDs. However, there is a need to better measure the application and impact of this work in driving results. In democratic governance, UNDP is now a recognized leader in promoting women's political participation. However, additional investments need to be made to more systematically integrate gender equality into UNDP's work on public administration, local governance, anti-corruption and human rights. In the area of crisis prevention and recovery, UNDP's eight-point agenda provides a comprehensive framework, but implementation remains uneven. Further efforts need to ensure that gender equality is mainstreamed in key areas including security sector reform and disaster risk reduction and management. In environment and energy, UNDP has made significant achievements in integrating gender dimensions into climate change mechanisms and global environmental policy discussions, but more needs to be done at the country level.

148. The gender marker currently provides data and analysis on how UNDP financial investments are contributing to gender equality and women's empowerment by project, country, region and focus area. It enables the organization to better assess the gender equality impact of programme resource allocations and expenditures. In 2010, UNDP has focused its efforts on building capacity of each staff member to use the gender marker as a planning and reporting tool. UNDP continues to provide advice and technical support to other UN agencies and is the lead convener of the subgroup of the UNDP Gender Equality Task Force on harmonizing the tracking of gender-related investments.

149. Going forward, UNDP will ensure that the gender marker is integrated into its overall accountability framework. A new output is proposed to translate the gender marker into such a tool, and to facilitate its inclusion in regular senior management reviews of CO performance.

Leveraging results from pilot or local initiatives for transformational change

150. Long-term development results are best achieved when UNDP concentrates on leveraging project-level successes to support higher-level transformational changes. UNDP has made commitments through management responses to various evaluations to better link pilot and short-term initiatives to actions that may contribute to transformational change. The result may be to more predictably build in sustainability and capacity measures; to inform policy; to scale up pilot initiatives; and/or to replicate successful strategies in other places through exchange of lessons and knowledge. The value of pilot initiatives is that they provide space for national actors and partners to learn and adapt accordingly.

151. UNDP support to project-level initiatives that demonstrate development approaches in particular settings must explicitly include applied learning and dialogue dimensions. UNDP has many examples of this approach, including notably the MDG Breakthrough Strategy. The challenge is to devise more systematic approaches to ensure that the completion of a project is not synonymous with the end of a potentially instructive initiative. UNDP will implement a set of incentivizing steps to identify and follow small-scale or pilot initiatives to monitor and assess their potential for learning and impact.

Enhancing South-South sharing and knowledge management for development solutions

152. South-South Cooperation is a long-standing priority of developing countries. While developing countries have successfully experimented with and implemented home-grown solutions to challenges like reducing poverty, enhancing food security and preventing HIV/AIDS, many are looking to learn from development experiences from other countries to get ideas for solutions that, with careful adaptation and evaluation, can inform the design of their own development processes. UNDP's role, both organizationally

and as the institutional home of the South-South Cooperation Unit, is to mobilize and facilitate support for such South-South cooperation activities.

153. **While UNDP has supported numerous innovative initiatives, it still faces the challenge of developing** "a robust and proactive corporate strategy to promote South-South cooperation." The evaluation of UNDP contributions to South-South partnerships finds that organizationally, UNDP lacks a shared understanding, set of incentives, and culture of codification of experience in South-South. Further, the absence of a corporate strategy limits the development of appropriate capacities and resources to optimize the considerable contributions this area can make to development effectiveness.

154. UNDP's efforts include working with partners in the South to support the sharing of development experiences and knowledge; and an internal process to encourage UNDP COs to provide more support for South-South cooperation. This includes helping partner countries sustain and expand the fiscal and policy spaces needed to pursue meaningful development choices. Diversifying partnerships and the sources of development finance, with a greater role awarded to southern players, are important aspects of this approach.

155. As a knowledge-based organization, capturing, codifying and sharing development information are at the centre of how UNDP operates. UNDP has made notable progress in sharing experiences around the globe since the introduction of the practice networks, and the Regional Service Centres have been particularly instrumental in promoting knowledge codification and dissemination particularly within the regions they serve. Nonetheless, many evaluations cite knowledge capture and organizational learning as a challenge for UNDP; for instance, the 2010 evaluation on local governance notes, "UNDP has not yet established itself as a knowledge organization where the experience of its managers is systematically captured, analyzed, organized, distilled into collective intelligence and made available for use within and outside the organization."

156. A new corporate knowledge strategy and systems provide UNDP with a strengthened platform to connect people with experiences and relevant information across the globe. It also promises to help engage a wider constituency for national initiatives, including those supported by UNDP. UNDP's new platform (Teamworks) was launched in 2010 and can become a powerful basis for knowledge-sharing within the United Nations development system and with partners. An improved intranet platform has been set up to strengthen internal business processes, standardized workflows and document management. A revamped external website, to be available early in 2011, will provide the public with better, more timely and more easily accessible information on UNDP's work. These enhanced capabilities will help to leverage value across all programmatic areas. UNDP recognizes that systems are necessary, but they are not sufficient to maximize culture change required to ensure effective knowledge capture and sharing. Leadership and incentives must also be aligned, including those related to expectations and performance dimensions for staff.

Strengthening cross-practice linkages

157. UNDP's breadth of thematic and geographical coverage, along with its programmatic depth at national and local levels, is a great advantage as development challenges become increasingly complex. A 2008 Swedish assessment noted, "UNDP's broad country presence, in combination with its broad mandate, is the organization's foremost comparative advantage." UNDP's challenge, however, is to ensure that its broad mandate is mirrored in its policy and programmatic instruments, to ensure that the known development links among the four focus areas are operationalized in a systematic way.

158. While important country and regional initiatives have given evidence of the multiplier effects of programmes with cross-practice approaches (e.g., poverty-environment initiative), to make such approaches more the norm will require integrated support throughout UNDP's practice architecture, at Headquarters, regional and country levels. As many evaluations have recognized, UNDP still faces

challenges to avoid "sectoralizing" its cross-cutting mandate. The impact of the practice architecture is being monitored, particularly to ensure that its influence on the content of UNDP work at country level is contributing holistically to national development outcomes. UNDP recognizes that approaches must be continually fine-tuned to ensure that just as national development challenges cross sector silos, so too must UNDP's development approach.

159. The practice architecture has evolved significantly in the first half of the strategic plan period, as an important structure for organizing substantive services and knowledge, resources and capacities. The UNDP Global Programme supports a robust network of policy advisors to anchor the practice architecture, allowing UNDP to bring non-resident policy advisory services closer to programme countries through the Regional Service Centres. Recent evaluations recognized both the actual contributions and future potential of the Regional Service Centres in ensuring cross-practice approaches and knowledge sharing. UNDP has committed to strengthen these linkages at all levels, so its programmes, advisors and practitioners will work more cohesively in the future. The experience of Regional Service Centres demonstrates that with appropriate leadership and incentives, important substantive and efficiency gains can be realized. UNDP will also strengthen monitoring and reporting systems to track performance resulting from these efforts.

Improving results-based management

160. UNDP is well aware of the need not just to contribute to effective transformational change at country level, but to take concrete measures to improve how we capture and communicate our contributions in a systematic and understandable way to a range of audiences.

161. UNDP continues to invest heavily in strengthening results-based management throughout the organization. An important pillar of this work relates to the preparation of the latest round of Country Programme Documents for Board approval in this June session. They have gone through a rigorous review and oversight process in order to place emphasis on: a) alignment with UNDAF outcomes negotiated at country level; b) clarity on UNDP's contributions at outcome level; c) SMART indicators attached to outcomes, and indicative outputs to be further refined at the CPAP level; and d) improved evaluation plans in line with the new Evaluation Policy approved by the Board in January 2011. This exercise has reinforced a culture of results across country, regional and Headquarters units providing support to the process; and has strengthened regional bureaux quality oversight of results-based planning. Also, the Evaluation Office in its annual report to the Board recognizes that 2010 saw an "increased organizational level focus on outcome[s]," in line with UNDP's commitments in the management response to the 2007 Evaluation on RBM. Accountability and organizational culture change for RBM are being promoted *inter alia* through the conduct of senior management CO Performance Reviews by region; the addition of related indicators in the Balanced Score Card; and concentrated senior management oversight on quality assurance, results reporting and communication, and evaluation.

162. UNDP continues to invest in strengthening indicators of our development work, our monitoring practices, and the quality of and response to evaluations. The midterm review process has served as a catalyst for an in-depth analysis of how the organization learns from evaluations. Two particular chailenges identified during the process include: a) capitalizing on country-specific evaluation findings (e.g., ADRs and outcome oriented evaluations) for organizational learning; and b) using evaluations to more usefully inform the effectiveness of specific development solutions ("the what"), and not on just the organizational approaches ("the how"). These two challenges will form the basis of close senior management attention through the rest of the strategic plan period.

Transforming programme and project management

163. UNDP has introduced numerous changes to its programme and project management toolkit in the past years to remain harmonized with the UN system, and to improve effectiveness of assessment and programming in line with national priorities. UNDP now recognizes that the programming machinery has

become heavy, requiring two years of planning from start to first activity and raising objections from national partners because of the burden it places on them and on UNDP's staff. Evaluations and surveys note that UNDP staff at the country level must be relieved of such burdensome bureaucratic procedures, which "de facto prevents UNDP programme personnel from contributing substantively to policy discussions in their thematic areas or developing substantive policy frameworks that can engage all stakeholders." The programming toolkit can also be ill-suited to fluid circumstances at the country level that may demand mid-cycle changes inter alia because of unforeseen crises.

164. An internal review of country offices that have undergone repositioning and re-profiling exercises demonstrates that transactional burden can be a significant impediment to UNDP's effectiveness at country level. The time it takes to move through the various programming steps – from assessment, to UNDAF, to CPD, to CPAP, to AWP – can erode the linkages among the levels, and discourage readjustment because of the time and labour required. Furthermore, robust project management systems designed with large interventions in mind are equally applicable to small projects, creating the same transactional burden irrespective of project size.

165. UNDP is introducing a series of concrete measures to address these challenges by the end of 2011. A more flexible and less burdensome mix of programming tools will be better suited to serve nationally-owned development agendas, and will clear administrative burden in UNDP offices to provide more space for engagement on substantive matters. Streamlining current arrangements is a top organizational priority on the efficiency agenda.

166. The organization's change agenda has also identified opportunities to reduce operational burden and optimize human resource management. These measures are further elaborated in section 3.2.

3. Achieving institutional results

3.1 United Nations coordination

167. The midterm review of UNDP coordination commitments reveals important lessons and results. Of these, the role UNDP has played in modeling and promoting behavioral and cultural change towards "one UN" at country and regional levels stands out. Leading the United Nations country and regional teams, while demonstrating leadership qualities that embrace full participation from and access to the expertise within the United Nations system, has been the greatest success and the greatest challenge over the past three years.

The Triennial Comprehensive Policy Review calls on UN Resident Coordinators to improve the effectiveness of the UN response to national development priorities of programme countries by assisting governments to access the full range of expertise of the UN system, especially of non-resident agency expertise. From 2007 to 2010, UNDP supported an enhanced engagement by bridging non-resident agency technical expertise and resources with UNCTs, UNDAFs and programme countries. From 2008 through 2010, UNDP provided a total of $1,689,000 for non-resident agency specialists placed in 14 RC offices to ensure full access of programme countries to expertise.

168. The implementation of a "firewall" has allowed the Resident Coordinator to be the acknowledged leader of the UN team and the key interlocutor with all partners on behalf of the UN system. UNDP placed Country Directors in over 50 countries where the size of the UNDP programme warranted it, to manage UNDP affairs and represent UNDP on the United Nations country team, leaving the RC to concentrate on the work of the United Nations system. As UNDG regional Chair, UNDP coordinated regional work with UN partners including quality assurance of UNDAFs and performance appraisals of UN country teams.

169. To measure its commitment to change, the UNDG put into place a Mutual Accountability System for all agencies to be accountable for their respective role as a UNDG member for successful UN coordination. To monitor UNDP's progress, an internal review in 2010 found that UNDP is successfully meeting or surpassing its MAS commitments: 62% of the RC/RRs polled had initiated a discussion on the Mutual

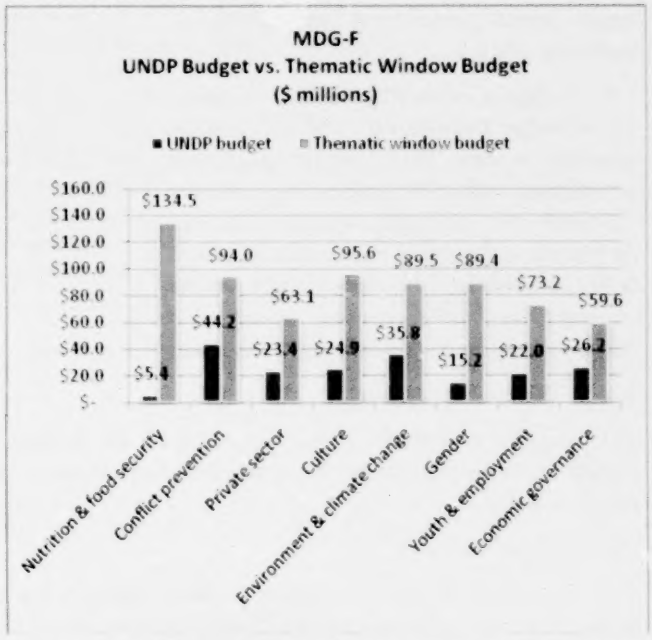
Accountability System with their country teams and of those who had not, 40% indicated that their predecessor had indeed led a team discussion in 2009 and/or 2010. While RC/RRs continue to report limited access to the technical resources of other agencies, UNDP expects improvements with partners in coming years based on a UNDG-led evaluation of the MAS in 2011.

170. The UNDG formulated an action plan to strengthen RC talent management including a set of short, medium and long term targets such as the launch of RC Online, and procedural changes of the Inter-Agency Advisory Panel that nominates, reviews and recommends candidates for the RC posts in different settings. UNDG mapped out eligibility requirements, the role of the RC Assessment Centre, how the RC pool operates, and the application, selection and appointment process. UNDP has duly enforced these changes and continues to demonstrate RC strengths and diversity as reflected in the recruitment and appointment of Resident Coordinators.

171. As the table indicates, there has been continued improvement in terms of gender, North-South balance, and non-UNDP RCs who are providing an array of skills from across the UN system to programme countries.

Resident Coordinator Population Trends	**2008**	**2009**	**2010**
Women Resident Coordinators	**28%**	**32%**	**35%**
Resident Coordinators from the South	46%	49%	51%
Resident Coordinators from the wider UN system (other than UNDP)	**29%**	**33%**	**33%**

172. The UNDP role as Resident Coordinator in the eight Delivering as One (DaO) pilots resulted in key lessons for joint programming and business practice harmonization. Reported gains in enhanced RC leadership in country level coordination are noted as: improved, coherent and nationally led UNDAFs, submission of the first "One UN" common country programme, one common UNCT annual report to national partners, and implementation of joint programmes and associated financial management. DaO lessons indicate that a strong, well-prepared and supported RC results in a better functioning UN team and thus greater and more coherent development programming at country level.



173. UNDP has played a key role in managing trust funds on behalf of the UN system. In 2010, UNDP administered a portfolio of $4.8 billion through the Multi-Donor Trust Fund Office, consisting of 36 Multi-Donor Trust Funds and Joint Programmes with pass-through funding in 83 countries. The MDTF Office also served as the Fiscal Agent to the Delivering as One Expanded Funding Window. In 2010, the MDG Achievement Fund, financed by Spain and managed by UNDP, supported 128 active joint programmes in 49 countries spread across 5 regions. The programmes, which are based in eight programmatic areas linked to the MDGs, bring together an average of five United Nations agencies in a collective effort, strengthening the United Nations efforts to deliver more coherently and effectively in support of national priorities. This trust fund was established in direct response to TCPR provisions for increased access by national

governments to UN expertise at country level. Over the past three years, this role has increased dramatically as have the development results reported by UNCTs and individual agencies.

174. **RCs mobilized resources** for the UNDAF and led in the establishment and coordination of UNCT joint resource mobilization strategies and common budgetary frameworks. UNDP has also played a vital role in facilitating HLCM policy and UNDG guidance in harmonizing business practices. The role of the UNDP offices has been key to inter-agency Operations Management Teams (OMT), and new business initiatives including ICT, procurement, and finance and budget. Services provided by UNDP country offices facilitate UN agency presence so that they can offer their expertise to national governments at field level. Together with other UN partners, especially UNICEF and WFP, UNDP has offered support so that harmonized practices are efficiently implemented. UNDG business practices are the most difficult area to harmonize, and RCs have been able to leverage UNDP resources to improve business practices. One example is the harmonization of IT, where several UN Agencies in different locations integrated into a single shared IT network.

175. UNDP knowledge platforms and networks can make major contributions; using Teamworks is proving valuable to UNDP and to other UN partners who now subscribe. UNDP is uniquely placed to continue to lead knowledge management efforts within the UN system to ensure global access and participation in knowledge sharing.

176. Guidance on coordination has increased, in particular through the UNDAF package approved in early 2010. Greater programme collaboration with UN agencies also enhances UN results, and partnerships have been targeted particularly in the area of climate change. UNDP is also collaborating with a range of UN partners on improving results reporting, including to inform discussions at the upcoming OECD discussions in Busan.

In June 2010, the third Intergovernmental Tripartite Conference on Delivering as One in Hanoi took stock of progress and assessed lessons from the country-led DaO evaluations. Participating governments affirmed necessary coherence increases in planning, prioritizing, and programming. Partner governments also indicated that the approach had led to increased national ownership and leadership. Challenges to address bottlenecks in the harmonization of business practices remain, and in 2010 the chairs of UNDG and the HLCM launched a series of joint high level missions and subsequently adopted an implementation plan. The plan addresses closer integration between programme and operations, harmonization in procurement and information technology, and progress in harmonizing human resource policies and procedures.

3.2 Management results

177. As prioritized in the strategic plan, UNDP has focused on four cross-cutting areas leading to strategic management results that strengthen and reinforce organizational effectiveness. These are discussed below.

Accountability framework

178. In September 2008, the Executive Board approved the UNDP Accountability Framework and Oversight policy, which underscores UNDP's commitment to results-based and risk-based performance management, and to the values of accountability and transparency. In the implementation of this policy, a clear timeline has been established for communicating the results of internal and external audit reports, independent evaluations, and UNDP management responses. A revised internal control framework has been implemented, and the ethics function has been significantly strengthened. In addition, an enhanced results monitoring and reporting system has been established to facilitate and improve annual strategic plan performance reviews.

179. UNDP has also strengthened its web-based approach to performance management through integrated unit level work planning, monitoring, risk management and results reporting. Emphasis continues to be

placed on development outcomes, integration of lessons learned, substantive alignment, identification of key risks and the requisite training, human, financial and information technology resources to support it.

180. UNDP continues to pursue a proactive approach to information disclosure in the interests of greater organizational transparency, within the limits of confidentiality. The Information Disclosure Policy promulgated in 2008, and the launch of the country office online web transparency initiative, reflect the organization's commitment. Approximately 75 per cent of country offices are now compliant with web transparency standards. To expedite overall compliance, UNDP has begun migrating to a global content management system that is expected to reduce the administrative burden and enhance the quality of information provided, especially in country offices facing capacity issues.

181. In support of Executive Board oversight as it relates to disclosure of internal audit reports and in line with decision 2008/37, these reports are now made available to Member States based on individual requests and written commitments to confidentiality. Further consultations with the Executive Board with respect to non-Member States on this matter are expected in the near future.

182. A Multi-Donor Trust Fund Gateway has been established to provide real-time financial information on projects funded through the UNDP administered Multi-Donor Trust Fund. This is the first portal of its kind in the UN system. In addition, UNDP is currently the only UN agency signatory, along with 18 programme countries, of the International Aid Transparency Initiative (IATI), which seeks to establish a common standard for disclosure of financial data and documents to assist developing countries to better plan, budget, monitor and account for development assistance. Implementation will occur in a phased manner between 2012 and 2013.

Enterprise risk management

183. UNDP is committed to proactively and systematically identify and manage risks that can impede the achievement of results. An enhanced enterprise risk management framework was approved in 2008 and implemented, and has been regularly up-dated and refined since with helpful guidance from the Audit Advisory Committee and lessons from the Office of Audit and Investigations. An on-line portal integrated into unit work planning was launched in 2010 to capture unit level risks, and these are monitored and considered along with corporate risks in the senior-most governance bodies in UNDP. An independent review of enterprise risk management in the United Nations system conducted by the Joint Inspection Unit against a set of 10 best practice benchmarks considered UNDP to be "relatively advanced in comparison to the other organizations". In addition, the report highlighted UNDP as a leader in terms of risk escalation procedure, commitment and engagement of executive management, and effective communications and training.

184. UNDP continues to consider staff safety and security as a high priority. Expanding numbers and scope of global and country-specific threats and risks to United Nations operations, coupled with UNDP's increasing focus on post-conflict situations and early recovery, have created challenging operating environments that require enhanced vigilance.

185. According to voluntary MOSS self-assessments, 62% of UNDP country offices were fully compliant and 32% were partially compliant. Emphasis is also now placed on developing, updating and testing business continuity plans annually. While all country offices have prepared business continuity plans, only 65% have tested them. Targeted support to ensure full compliance is underway, as well as to ensure full understanding and implementation of the new United Nations security level system introduced in 2011.

Resource management

186. UNDP continues to improve its resource management practices including through implementation of robust internal controls, effective financial performance oversight, and following a risk-based and accountability-centred approach in managing issues arising from internal and external audits.

187. UNDP was one of only nine out of a total of sixteen UN organizations to receive an unqualified audit opinion from the UN Board of Auditors on its 2008-2009 financial statements. This follows the unqualified opinion on the 2006-2007 financial statements, and is in large part due to UNDP senior management's responsiveness to external and internal audit recommendations, and the establishment and implementation of an effective accountability and oversight framework.

188. The Management Group chaired by the Administrator continues to prioritize prudent and effective resource management, in part by prioritizing audit recommendations and closely monitoring progress made in addressing underlying issues. This effort is complemented by the Operations Group chaired by the Associate Administrator which addresses key operational and audit issues. The UNDP practice of prioritizing and focusing on a manageable set of top audit priorities is recognized by the UN Board of Auditors as a best practice in UN system organizations. The current list of top 10 audit priorities reflects improvements noted by the UN Board of Auditors and Office of Audit and Investigations, and are now factored into discussions by UNDP's Enterprise Risk Management Committee.

189. Additional attention has been given to audit recommendations that remain unresolved for more than eighteen months. A total of 41 audit recommendations remained outstanding at end 2010 as compared with 55 at end 2009. Audit risks associated with nationally executed projects remain, primarily due to fiduciary shortcomings on the part of national implementing partners due to recurring capacity issues and/or non-adoption of the Harmonized Approach to Cash Transfers modalities that are designed to assess, identify and mitigate implementing partner capacity risks.

190. UNDP's Fast Track Strategy was approved in late 2009 and represents an important repositioning of how UNDP views risks and opportunities in select special development situations. It is premised on the principle of managerial accountability and empowerment for making risk-informed decisions, coupled with the need for increased flexibility, speed and efficiency to respond to operational challenges in critical situations.

191. UNDP is on track to adopt the International Public Sector Accounting Standards (IPSAS) by January 2012. Major efforts are currently under way to accelerate overall staff, stakeholder, policy and system readiness. Action is also underway to establish a global shared service centre by end 2011 to provide IPSAS transactional and advisory services to country offices and Headquarters units. The presence of IPSAS experts in the global shared service centre should create economies of scale and contribute to the formulation of best practices and knowledge sharing.

Integration of planning, budgeting, performance and human resource management

192. Planning, monitoring and budgeting continue to benefit from major ongoing initiatives described above. Emphasis has been placed on oversight, training and policy updates, as well as improved alignment in the classification of activities and associated costs within UNDP's business model.

193. The alignment of UNDP internal planning processes has been strengthened, with development results planning serving as the main driver for management results and resources planning. This has strengthened linkages between management and development results, and the alignment of resources allocation with organizational priorities. The implementation of an Executive Balanced Scorecard that has been cascaded downward into country offices, and Headquarters-specific Balanced Scorecards, are noteworthy achievements. Lessons underscore the need to continuously refine the alignment of country office Balanced Scorecards to differing country profiles, and to regularly update performance benchmarks and strengthen mutual accountability between corporate units and country offices.

194. UNDP is committed to formulating an integrated budget from 2014 onwards jointly with UNFPA and UNICEF in line with the road map for an integrated budget. More specifically, efforts with respect to results-based budgeting and cost classification continue to focus on improved alignment with and linkages to the strategic plan, as well as simplification and harmonization with UNFPA and UNICEF. This has

resulted in recent Executive Board approval of a more transparent and harmonized classification of activities and associated costs, as well as a simplified, harmonized and strategically aligned institutional results framework for the 2012-2013 biennium with a clearer linkage between resources and results.

195. UNDP staff are the principal asset and backbone of the organization. The strategic plan recommends strengthening strategic human resources management so that skills mix and staff capacity mirror corporate requirements, with an emphasis on talent management, succession planning, career development and staff retooling. In its recent report *Human Resources Management in UNDP: Managing Talent, Developing Staff, Increasing Efficiency*, UNDP commented on progress made in achieving the targets set in the strategic plan in human resources management. Most importantly, it addressed the key challenges faced by UNDP in the strategic management of its staff.

196. To attain organizational excellence through the provision of strategic and value-added development and coordination services to programme countries, UNDP must have a talented, motivated and diversified workforce operating at the highest standards of efficiency, competency and integrity. This remains both a priority and a challenge. The new human resources competency framework covers, among others, competency standards, job design, performance management and vacancy management, and, together with the newly approved use of candidate pools, is expected to better align overall organizational capacity while reducing recruitment time. At the end of 2010, women accounted for 45 percent of the total international professional workforce, which reflects steady progress towards the goal of gender parity by 2015.

197. Within the context of the four key cross-cutting areas discussed above, UNDP has revised its institutional results framework as reflected in the annexes.

3.2.1 Revised integrated financial resource framework

198. The integrated financial resources framework adopted by the Executive Board in 2007 presented the overall approved funding target for the strategic plan for the years 2008-2011. The present revised framework reviews the financial contributions received so far and projects annual resource targets until 2013.

199. In 2007, UNDP resources were projected to amount to a total of $20.6 billion for the 2008-2011 period, covering the original 4-year time span of the strategic plan. This overall resource projection underscored the intent to sustain the income levels achieved in 2005 and 2006, with gradual changes in the composition of total resources. Against the background of the report to the Economic and Social Council on the implementation of the Monterrey Consensus (E/2004/50), General Assembly resolutions 56/201, 59/250 and 62/208, and decisions of the Executive Board, the projections reflected the prioritization of increasing regular resources necessary to ensuring the multilateral work of the organization. In this context, for the years 2008 to 2011:

(a) Regular contributions were projected to reach $5.3 billion

(b) Co-financing in the form of cost-sharing and trust fund contributions by bilateral donors were projected at $5 billion

(c) Contributions from multilateral partners were projected at $5.5 billion

(d) Programme country co-financing contributions were projected at $4.8 billion. This portfolio was expected to undergo a transformation and slight reduction reflecting: (a) further alignment with the UNDP focus areas; and (b) geographic diversification in programme country co-financing portfolios.

200. From the end of 2008 however, the effects of the global financial and economic crisis started to undercut the ambition of the strategic plan to gradually increase contributions to regular resources. While UNDP achieved the regular resources target of the strategic plan for 2008, the volume of contributions to

regular resources decreased in 2009 and 2010 by 7.5 and 4.6 per cent respectively in nominal terms and, thus, remained significantly below the level of the increasing strategic plan projections for the two years. Current projections for 2011 point to a moderate increase in regular resources, which, however, is largely due to favorable exchange rates. UNDP's budgetary processes have been continuously adapted to the level of core resources actually available to the organization.

201. Total contributions to UNDP resources in the 2008-2010 period amounted to $14.4 billion and, thus, remained below the projected level of $15.3 billion in the strategic plan for the three-year period. Annual contributions remained relatively stable and showed a slight increase over the three-year period, but could not reach the annual projections of the strategic plan. Total contributions to UNDP other resources in the 2008-2010 period reached $11.32 billion and, thus, remained slightly below the projected level of $11.54 billion in the strategic plan for the three-year period. Other resources show a steady growth trend in earmarked contributions from bilateral donors as well as in resources entrusted to UNDP by multilateral partners, in most years exceeding the respective annual projections of the strategic plan. Programme country co-financing contributions, on the other hand, decreased more significantly than projected in the strategic plan over the three-year period.

Table 1. Comparison of projected and actual contributions by funding source in nominal terms, 2008-2010

(in billions of dollars)

Funding source	Contributions					
	2008		*2009*		*2010*	
	Projected	*Actual*	*Projected*	*Actual*	*Projected*	*Actual**
Regular contributions	*1.1*	1.097	*1.25*	1.015	*1.4*	0.967
Co-financing by bilateral donors	*1.3*	1.365	*1.25*	1.411	*1.25*	1.62
Multilateral contributions	*1.35*	1.236	*1.37*	1.455	*1.37*	1.64
Programme country co-financing	*1.25*	1.031	*1.2*	0.781	*1.2*	0.781
Total	**5.0**	**4.729**	**5.07**	**4.662**	**5.22**	**5.01**

**2010 figures are provisional*

202. Over the period 2008-2010, UNDP received a total of $2.6 billion as contributions to United Nations resources. These resources, which do not constitute income to UNDP, are administered by UNDP in support of United Nations system operations in humanitarian, post-conflict and long-term development contexts. The contributions of on average $0.87 billion per year remained 30 per cent below the projected level of support outlined in the strategic plan.

Utilization of resources

203. Expenditures are presented in line with the classification of activities and related costs for the 2010-2011 biennium endorsed in Executive Board decision 2009/22. Total provisional expenditure for development activities for 2010 amounted to $4.8 billion of which $0.63 billion was funded from regular resources and $3.36 billion and $0.81 billion from other donor resources and local resources respectively. The ratio of expenditure related to Management activities over total expenditure was 7.5%. This is higher than the 2008-2011 ratio of 7.23 per cent derived from strategic plan estimates adjusted in alignment with the classification of activities and related costs per Executive Board decision 2009/22. This is largely due to the reduced contributions envelope available in 2010 ($5.01 billion) compared to the original strategic plan estimate of $5.2 billion.

Table 2. Expenditure by cost classification category

(in billions of dollars)

Cost classification category	2008-2011 strategic plan targets	2008-2009 expenditures	2010 expenditures
	(a)	*(b)*	*(c)*
Development activities	$18.50	$8.45	$4.77
United Nations development coordination activities	$0.37	$0.29	$0.16
Management activities	$1.50	$0.76	$0.40
Special Purpose activities	$0.39	$0.18	$0.09
Total	$20.76	$9.68	$5.42

Table 3. Management expenditure ratio

(in billions of dollars)

Category	2008-2011 strategic plan	2008-2009 expenditures	2010 expenditures
Management expenses (a)	$1.50	$0.76	$0.40
Total expenses (b)	$20.76	$9.68	$5.42
Management expenditure ratio (a / b)	7.23%	7.85%	7.38%

Resource projections

204. With the caveat of both limited predictability and reliability of voluntary contributions going forward and the prevailing, highly volatile exchange rate environment, total UNDP resource projections for the three remaining years of the extended strategic plan period (2011-2013) amount to $14.4 billion and are broken down as follows:

(a) *Regular resources*: UNDP aims at building back contributions to regular resources moderately over the 2011-2013 period to a total of $3.15 billion, with annually, contributions reaching again $1billion in 2011, $1.05 billion in 2012, and $1.1 billion in 2013. The targets are derived from a comprehensive examination of the forward-looking regular resources requirements in the Executive Board-approved country programme documents as well as from the requisite biennial support budget projections.

(b) *Other resources: bilateral donor contributions*. Co-financing in the form of cost-sharing and trust fund contributions by bilateral donors is estimated to reach $4.5 billion over the 2011-2013 period with $1.55 billion in 2011, $1.5 billion in 2012, and $1.45 billion in 2013. The marginal decrease in this category reflects the continued ambition of a visible shift of bilateral other resources to the regular resources category

(c) *Other resources: multilateral contributions*. Based on past year trends, contributions entrusted to UNDP by multilateral partners are estimated to reach an average of $1.5 billion annually over the 2011-2013 period or $4.5 billion in total.

(d) *Other resources: programme country government contributions*. Following the portfolio alignment and geographic diversification of this portfolio over the past two years, programme country co-financing contributions are estimated to reach an average of $0.75 billion annually or $2.25 billion in total contributions over the 2011-2013 period.

205. For the period 2011 – 2013, UNDP estimates to receive another $2 billion in contributions to be administered on behalf of the UN system, though the actual level of contributions will be higher depending on the United Nations use of this strategic funding tool in the coming years.

206. The following broad directions for UNDP resources are under consideration:

(a) With regards to the review of the programming arrangements, proposals will be presented with respect to: (i) possible revision of the criteria to support the TRAC-1 calculation methodology; (ii) improved support to least developed countries/low-income countries within the resources envelope of the programming arrangements; and (iii) a strategy for engagement with middle-income countries, and the need to further balance the principles of universality and progressivity;

(b) The preparation of the biennial support budget, 2012-2013 should: (i) continue to facilitate the implementation of the extended strategic plan and ensure full alignment with the results framework; (ii) support overall harmonization with UNICEF and UNFPA; and (iii) ensure organizational sustainability with emphasis on strengthening the strategic value of human resources and improved support to country offices in line with the efficient and effective achievement of planned development results.

207. To frame the use of resources, the following considerations are proposed:

(a) Over the remaining two years of the strategic plan period (2012-2013), the estimated resource availability is $12.9 billion, consisting of $9.6 billion in 2012-2013 contributions and resource balances at beginning 2012 of approximately $3.3 billion. Within this resources envelope, use of regular and other resources for UNDP is projected at $12.0 billion (in nominal terms). There will be an allocation of approximately $10.7 billion (89.5 per cent) for development activities; $260 million (2.2 per cent) for United Nations development coordination activities; $0.9 billion (7.4 per cent) for management activities and approximately $110 million (0.9 per cent) for special purpose activities. On an annualized basis, the estimate for United Nations system coordination ($130 million) amounts to approximately less than one per cent of the total funding for United Nations system operational activities.

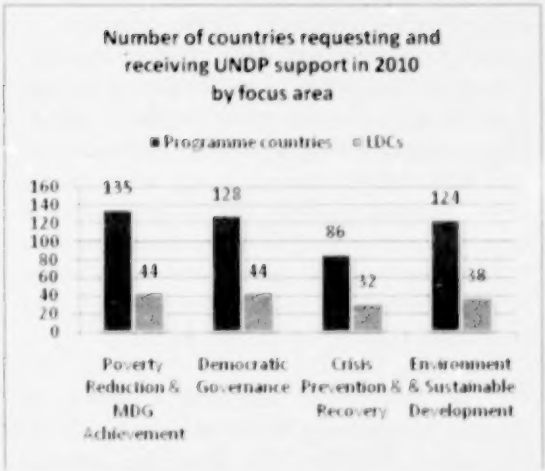
(b) Resource growth will be apportioned to ensure a maximum allocation for programming arrangements with necessary provisions to fulfill management functions. This is based on the assumption of adequate financial contributions and/or burden-sharing arrangements between agencies, funds and programmes.

(c) The costs of functions associated with the management of resources derived from bilateral, multilateral and programme country contributions will be met through the application of UNDP cost recovery policy consistent with Executive Board decision 2007/18 on this matter.

Part II

4. Focused delivery within the strategic plan in 2010

208. In the third year of the implementation of the strategic plan 2008-2013, national demand and response by UNDP shows an overall 10.5% increase in programme expenditures from 2008 to 2010. UNDP contributions also show a relatively consistent demand distribution across the four focus areas, after taking into consideration the reporting shift from Democratic Governance to CPR under the new Afghanistan country programme.



5. Development results – 2010

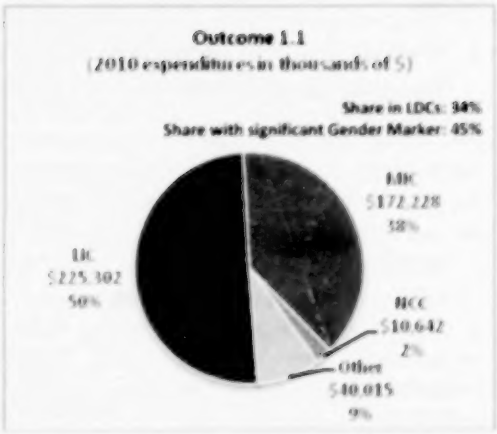
209. UNDP's contributions to results are presented in this report for eight outcomes based on the same methodology introduced in last year's annual report and agreed by the Board. The eight outcomes speak to UNDP's contribution in fostering and broadening governance for inclusive approaches to poverty reduction, including in crisis and post-crisis situations, as well as in capacity building in the context of national development planning and public service delivery. More inclusive participation and engagement with civil society is a common theme across all eight outcomes, together with the support UNDP lends to strengthened and more resilient institutions and coordination mechanisms, both at national and local level. The multi-dimensional nature of our work is further illustrated by UNDP contributions in response to the Haiti earthquake. With last year's report, this report brings the total number of outcomes analyzed in depth to fourteen. UNDP is committed to review all outcomes in depth by the end of the strategic plan period.

8 outcomes selected for in-depth reporting in 2010	
Total 2010 expenditures	**$1.7 billion**
Share of total expenditures	**35.9%**
Share of total expenditures in LDCs	**41.5%**
Outcomes 3.6, 1.1, and 2.4 are the 3 largest in 2010	

Outcome 1.1:	*MDG-based national development strategies promote growth and employment, and reduce economic, gender and social inequalities*
Outcome 1.7:	*Enhanced national capacities to integrate into the global economic system and to compete internationally, consistent with the achievement of the MDGs and other internationally agreed development goals*
Outcome 1.9:	*AIDS responses integrated into poverty reduction strategies, MDG-based national development plans, and macroeconomic processes*
Outcome 2.1:	*Civil society, including civil society organizations and voluntary associations, and the private sector contribute to the MDGs in support of national planning strategies and policies*
Outcome 2.4:	*National, regional and local levels of governance expand their capacities to reduce conflict and manage the equitable delivery of public services*
Outcome 2.9:	*Strengthened national-, regional- and local-level capacity to implement anti-corruption activities*
Outcome 3.5:	*Disaster: Post-disaster governance capacity strengthened, including measures to ensure the reduction of future vulnerabilities*
Outcome 3.6:	*Conflict: Post-conflict governance capacity strengthened, including measures to work towards prevention of resumption of conflicts*

5.1 Poverty reduction and MDG achievement

210. **Under outcome 1.1**, in 2010, 34 UNDP country offices supported partner countries in completing their national MDG Reports, including deepened analysis of proven interventions and lessons learnt. Of these, six were conflict-affected countries. Fifteen African countries produced addendums to their MDG reports focusing on the impact of the global, financial, economic and food-price crises to the achievement of the MDGs. The findings of these MDG reports provided valuable evidence to inform policy decisions within each country, and have been summarized in the MDG Synthesis Report.



211. In 2010 UNDP supported a number of countries in preparing MDG-based national poverty reduction and development strategies and plans. For example, UNDP supported **Indonesia** in its capacity development needs assessment and the implementation of MDG-based planning and budgeting to address high levels of inequality among provinces, which resulted in the formal adoption of pro-poor planning and budgeting methodologies nationally. In **Cameroon**, the key findings of their 2009 NHDR were directly integrated in the country's National Development Strategy, resulting in increased budgetary allocations in 2010 and 2011 for agriculture, health and education. In **Ethiopia**, UNDP strengthened capacities of regional and district authorities to establish multi-stakeholder platforms and mechanisms to assess local economic development potentials and constraints in four regions and seven localities. These efforts resulted in the preparation and endorsement of local economic strategies, now integrated into regional and district development plans. Regional and district authorities are now more efficiently providing financing for private sector development and employment creation especially for poor women and youth; addressing local constraints to economic growth and establishing investment profiles and incentives to attract both internal and external funding to stimulate economic growth. In **Viet Nam**, for the first time, and with UNDP support, a draft comprehensive national strategy on social protection has been formulated, with focus on chronic poverty among ethnic minorities. In **Syria**, UNDP's advocacy efforts and support to several policy studies were crucial for bringing development issues to the forefront of the nation's five year plan, which concentrates on issues of human development, especially poverty reduction, employment generation and addressing climate change challenges.

Poverty practice in 2010	
Countries	135
...LDCs	44
Expenditure ,	$ 1,349 m
Outcome 1.1	
Countries	78
...LDCs	27
Expenditure	$ 448 m
Outcome 1.7	
Countries	15
...LDCs	3
Expenditure	$ 38 m

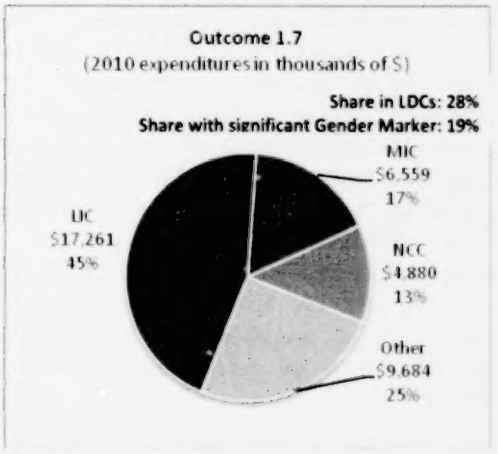
212. To support countries in planning and prioritizing efforts to address lagging MDGs, UNDP formulated an MDG Breakthrough Strategy. The MDG Acceleration Framework (MAF), endorsed by the United Nations Development Group in 2010, lies at the heart of this strategy. For MDGs that are lagging in specific countries, the MAF offers a systematic way to identify barriers to MDG achievement, as well as prioritized solutions to address them. The MAF is a catalytic tool to create or refine a country-level MDG Action Plan, anchored in national development processes and partner engagement to address a common objective in accelerating progress towards the MDGs.

213. The MAF has been piloted in 10 countries, and action plans have been identified for a range of MDGs at both national and subnational levels several of which address gender equality concerns in education and food security. Lessons from the pilots were included in a consolidated report, and a summary of preliminary findings from the pilot countries was presented at the 2010 MDG Summit. In **Colombia**, the

MAF was applied at the local level, where local governments are committed to prioritize lagging MDGs. Action plans were identified to address bottlenecks in providing food security, reducing poverty, achieving gender parity, and improving maternal health. In the **Lao People's Democratic Republic**, UNDP supported the government to apply the MAF to develop an action plan for planning, financing and supplying interventions for delivering gender sensitive education services in the poorest districts. In **Niger**, the government earmarked nearly $30 million over five years based on MAF's food security priority action plans. In **Malawi**, UNDP helped prioritize food security within national development strategies and frameworks; contributing to the government identifying food security as a top priority, and instituting ambitious measures that resulted in sustained increases in maize production and benefits to 1.7 million farm families.

214. Policy support is being provided to many governments to ensure gender equity and responsiveness in all levels of national, regional and local planning. In **Lesotho**, UNDP provided technical support to the Maseru City Council to mainstream gender in their programs of work and to empower women contractors. In **Syria**, UNDP worked with local authorities to enable and encourage male family members to grant inheritance rights to women through local institutions, enabling women to leverage property rights for access to microloans. The programme, which also included business training for borrowers, was highlighted by the League of Arab States as a model for replication throughout the region.

215. **Under outcome 1.7,** UNDP supports domestic policies and programmes for developing countries to achieve the MDGs, and works to ensure that they benefit from global economic opportunities. UNDP supported trade capacity development interventions in 40 LDCs through the Enhanced Integrated Framework programme, a $250 million fund to address trade-related constraints that impede MDG sustainability and increasingly inclusive growth. Diagnostic work was finalized with UNDP support, and 25 LDCs gained information and developed proposals to access policy and financial support from this initiative. UN coordination in providing development assistance in the areas of trade and productive capacity was enhanced through integrating trade diagnostic recommendations into UNDAF processes in countries such as **Lesotho**, **Rwanda** and **Tanzania**.



216. In **Cambodia**, UNDP contributed to a Trade Integration Strategy focusing on 19 products for export with the potential to improve the livelihoods of 2.5 million farmers. UNDP helped the government to diversify its economic growth policy agenda to be more inclusive and pro-poor, through research and advisory services in national competitiveness and MDG monitoring. An oil, gas and mining conference, organized with UNDP support, prompted the government to embark on the development of policies to build a responsible extractive industries sector to accelerate institutional and human capital development.

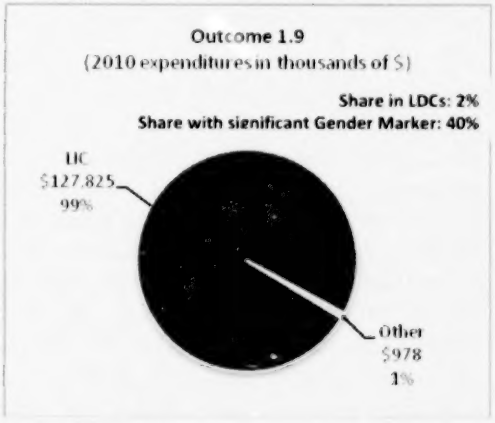
217. **Comoros** is vulnerable to external economic shocks due to its narrow economic base, characterized by heavy dependence on three main export products and on remittances. To improve its economic prospects, the country is actively diversifying its traditional donor base and taking steps to promote trade and foreign direct investment through strengthened economic partnerships. UNDP supported the development of a National Trade Policy to facilitate multilateral trade. The policy was supported by a resource mobilization strategy and capacity development for key staff. In addition, UNDP advocated for the creation of the National Agency for the Promotion of Investment, and when established, UNDP

contributed to the agency through support to provision of investment promotion tools, formulation of investment guides and production of infomercials.

218. A UNDP effort in four selected mono-industrial towns in **Russia** helped municipal and regional administrations boost competitiveness through the preparation of integrated investment and capacity development plans to address industrial restructuring and regeneration. These plans include investment promotion, employment generation, economic diversification and social protection measures. UNDP is phasing out its engagement in Russia and is taking the lessons to **Montenegro** and **Belarus**, where this effort has been replicated to address poverty at the local level. In Montenegro UNDP's initiative in areas affected by industrial decline supported the formulation of a detailed vision for balanced development of the agro-based urban economy and the non-farm rural economy. In Belarus, UNDP helped the Ministry of Labour and Social Protection to develop a set of practical recommendations to local governments of small and particularly vulnerable towns to identify innovative initiatives to respond to social consequences of the global economic crisis, including entrepreneurship promotion, self-employment, financial literacy and microfinance opportunities.

5.2 HIV, tuberculosis and malaria

219. **Under outcome 1.9,** national HIV responses have proven to be most successful when they have moved beyond responding to HIV as simply a health concern, and involved a range of sectors to address the socio-economic determinants and impacts of HIV. Strengthening linkages between HIV responses and broader development and health efforts is central to advancing MDG goals. UNDP has supported programmes that build synergies between HIV and MDG action, with results focusing on: (i) strengthening planning and financing of multi-sector action on HIV and MDGs; (ii) enhancing HIV-sensitive social protection; and (iii) promoting synergistic action on gender equality, poverty reduction and HIV responses.



HIV practice in 2010	
Countries	56
...LDCs	26
Expenditure	$ 349 m
Outcome 1.9	
Countries	6
...LDCs	2
Expenditure	$ 129 m

220. Integration of HIV priorities into national development plans is critical to ensure complementarity and coordination between health and non-health sectors, and to promote effective use of resources for responding to HIV. UNDP therefore works with country partners to integrate HIV priorities in poverty reduction strategies, national development plans, MDG processes and domestic resource allocations.

221. For example, through a joint programme with the World Bank, UNDP supported 28 countries to integrate HIV responses into National Development Plans and Poverty Reduction Strategies. Among other results, the programme is credited with facilitating successful mainstreaming of HIV into multiple PRSPs, creation of HIV budget lines in Medium Term Expenditure Frameworks and sector budgets, and greater involvement of people living with HIV and vulnerable groups in development planning processes.

222. In **Rwanda**, UNDP worked with the government and facilitated engagement of multiple civil society organizations throughout the PRSP planning and validation process. As a result, Rwanda's PRSP successfully mainstreamed HIV through all 12 sectors of the strategy, including health, education, social protection, and justice, law and order. HIV was similarly mainstreamed in district development plans, and

the framework used for HIV was also leveraged to mainstream other priority issues, including gender equality.

223. In **Swaziland**, advocacy and technical support resulted in 11 government ministries integrating HIV responses into their sector plans. The ministries also developed workplace programmes for submission to the next national budget cycle. Integrating HIV into financing instruments is a critical step for ensuring longer-term sustainability of programmes. In **Fiji**, a National AIDS Spending Assessment database was established with UNDP technical assistance. This helped the government to capture external donor funding and enabled better prioritization of focus areas to support the National AIDS Plan. The database and policy improvements, including better prioritization of resources to address gaps, have encouraged introduction of the National AIDS Spending Assessment approach in **Kiribati** and **Vanuatu**.

224. People affected by HIV can often be excluded from social protection programmes that are aimed to reach the most vulnerable or marginalized. UNDP therefore supports the integration of HIV into social protection programmes to help create and sustain initiatives that advance HIV prevention, treatment, care and support. In **India**, UNDP supported the implementation of multiple HIV-sensitive social protection programmes in several states, reaching over 77,000 people in 2010. Based on a socio-economic impact study done in 2006 that showed considerable negative impacts of HIV on employment, income, savings and school attendance in affected households, UNDP launched a multi-pronged strategy of advocacy and technical support involving the National AIDS Control Organization, state offices and civil society organizations, including networks of people living with HIV. As a result, in the state of Rajasthan, the widow pension scheme was reformed so that women widowed by HIV would be eligible to receive a monthly pension irrespective of age. Across all states with modified pension schemes, approximately 23,000 women benefitted from this change in 2010. Other notable reforms include states where people with HIV now have access to subsidized food, housing, transportation, and health care – all of which were previously restricted to those below the poverty line. The Ministry of Labour has also removed an HIV-exclusion clause from special health insurance schemes for informal workers.

225. In **Cameroon**, **Rwanda** and **Zambia**, social protection efforts have supported micro-credit schemes for people affected by HIV with a particular focus on women. UNDP supported a project targeting 20-29 year-old **Haitian** women at high risk of acquiring an HIV infection either because of unsafe sexual practices or due to their economic condition. The major results included reduction of HIV vulnerability due to employment training; economic support for HIV positive women through income generation to develop or expand small businesses; operations research to document factors that are linked to participation in youth education programs targeting young women; and strategic options to ensure that traditionally excluded young women benefit from education and other services, such as HIV testing, treatment of sexually transmitted diseases, and training for employment.

226. In **Myanmar**, a project aimed at improving quality of life and enhancing access to services for people living with HIV has significantly assisted affected families in mitigating the social and economic impact of HIV. Since 2005, UNDP has supported the non-governmental Myanmar Positive Group to strengthen the capacity and coordination of networks of people living with HIV across the country. This has resulted in the establishment of more than 166 self-help groups, including women's groups, with nearly 15,000 members who are mobilized to support people living with HIV and their families. The vulnerable households receive access to medical assistance, nutrition, schooling for orphans, referral of delivery points and livelihoods support through provision of grants for the establishment of revolving funds for income generation.

227. Gender inequality and income inequality are two of the most powerful and pervasive socio-economic factors influencing HIV epidemics. At the same time, there is evidence that simultaneously challenging gender inequality, women's economic insecurity, and HIV can in certain circumstances be more effective and less costly than addressing each issue in isolation. UNDP therefore works with partners

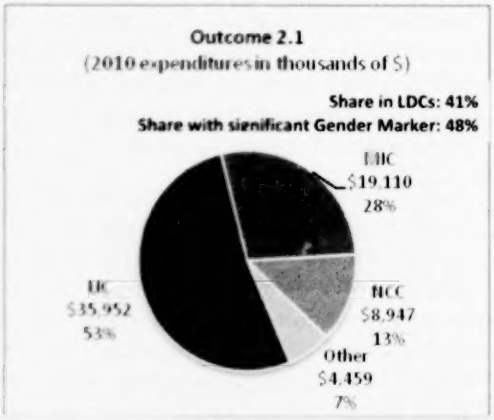
to address gender, poverty and HIV linkages through development policies and plans, and to promote synergies between action on HIV and action on maternal health.

228. For example, UNDP has implemented the "Universal Access for Women and Girls Now!" initiative in 10 countries to ensure that national HIV programmes address the needs of women and girls, and facilitate legal and economic empowerment of women. In **Zambia**, one of the participating countries, the National AIDS Council worked with a range of stakeholders to expand support for integrating gender into the country's National AIDS Strategic Framework. The plan calls for targeted HIV programming for women and girls and includes a clear gender component and commitment to addressing gender-based violence. The National AIDS Council has created a new gender advisor post to ensure on-going prioritization of gender considerations in the HIV response, and the National AIDS Network has established a gender steering committee composed of government and civil society representatives to monitor implementation of the gender components of the Strategic Framework.

229. In **Ecuador**, UNDP has supported the National AIDS Programme to increase its technical capacity for multi-sectoral coordination, planning and monitoring and evaluation. One output of this support is the identification of 10 priority sectors in the multi-sectoral National AIDS Plan. Gender is one of the priority areas of the plan, with a particular focus on addressing the relationship between gender-based violence and HIV. Women were involved through the development and validation of the National AIDS Plan, which also identifies a range of health and non-health needs of women who are living with HIV.

5.3 Democratic governance

230. **Under outcome 2.1**, in 2010, UNDP supported the engagement of civil society in national planning strategies and policies in countries across all regions. In responding to demand, UNDP has used its goodwill with partners to engage civil society organizations and help create dialogue space particularly in support of ongoing governance and institutional reform efforts.



...LDCs	44
Expenditure	$ 1,184 m
Outcome 2.1	
Countries	23
...LDCs	9
Expenditure	$ 68 m
Outcome 2.4	
Countries	81
...LDCs	32
Expenditure	$ 419 m
Outcome 2.9	
Countries	26
...LDCs	14
Expenditure	$ 61 m

231. In 2010, support was provided to civil society organizations and to national and local governments to ensure civil society participation in national planning and policies across a range of thematic areas. Through the global Platform HD 2010 initiative, national projects in several countries focused on strengthening civic engagement in aspects of MDG policy and practice. In **Ethiopia**, Platform HD 2010 partnered with the Poverty Action Network to foster the participation of grassroots civil society organizations representing the needs of vulnerable populations in MDG implementation and monitoring. In **Nepal**, consultations were held throughout the country to bring together civil society representatives with their local governments. In the **Philippines**, the initiative used the May 2010 Presidential elections as a springboard to strengthen the capacity of civil society organizations to advocate for the implementation of policies to accelerate MDG achievement.

232. In **Kenya**, Amkeni Wakenya, a multi-donor facility established by UNDP in partnership with other development partners, successfully enhanced the capacity of CSOs to participate in the Kenyan constitutional reform process through grants, capacity building and knowledge management, including training for journalists, community-level debates and public forums, and the development of publicity

materials. This gave greater legitimacy to the constitutional reform process and contributed to its success. In **Zimbabwe**, through its dialogue facility UNDP supported NANGO, the umbrella organization to facilitate CSO dialogue and engagement with policy makers on a range of development issues. This support enabled NANGO to engage policy makers and relay the position of CSOs on critical aspects such as national healing and the constitution making process. In particular, related to the constitution making process, engagement with the Parliamentary Select Committee allowed NANGO to monitor the constitutional reform outreach process and the creation of a platform where CSOs regularly meet the Parliamentary Select Committee to address reports of violence and intimidation in the outreach process, share information and jointly resolve problems.

233. Multi-stakeholder dialogues including strong civil society and political party involvement on a range of social and political issues were also supported across Latin America through the innovative Political Analysis and Prospective Scenarios Project (PAPEP). In **Bolivia**, the reports made and publicly presented by PAPEP contributed to depolarizing the political crisis in the country and finding a common agenda for constitutional reform. In the case of **El Salvador**, the analysis made by PAPEP facilitated the electoral transition to a new Government for the first time since the peace accord and supported the creation of a dialogue forum, the Economic and Social Council, which in 2010 was supported through a programme funded by the Spanish Trust Fund. The approach is now being shared with other regions.

234. In 2010, UNDP continued to place importance on investing in strong civil societies to ensure their effective participation in national planning and policy processes. In some contexts this has involved facilitating an enabling environment for civil society, including support to legal and regulatory reform. Following UNDP-supported reform processes, laws enacted in **Iraq** and **Macedonia** in 2010 are some of the most progressive in the Arab States and Balkans, respectively. Other initiatives have also sought to enhance constrained space for civic engagement. In **China**, in a joint venture with the European Union, UNDP supported efforts to help state actors recognize civil society contributions to development and understand how CSOs operate. UNDP has been instrumental in dialogue with the Government of China on the set up of the China CSO Development Forum to further promote direct dialogue among CSOs, as well as between the government and CSOs. In the **Lao People's Democratic Republic**, as part of its support to governance and public administration, UNDP has been instrumental in the development of a decree on not-for-profit association, paving the way for a larger engagement with civil society in the national development process.

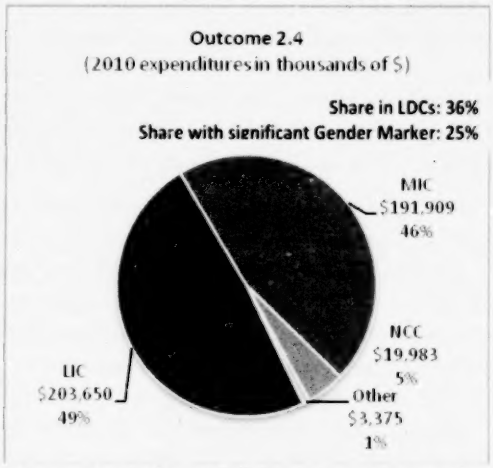
235. UNDP contributed support to the capacity of civil society to engage in different ways. One highlight in 2010 was the establishment by UNDP, ILO and OHCHR of the UN-Indigenous Peoples' Partnership as a multi-donor trust fund. UNIPP supports initiatives to promote the rights of indigenous peoples at the country level, including the strengthening of indigenous institutions so that they can engage more effectively in policy and governance processes. In **Mexico**, **Chile** and **Mongolia** civil society organizations, including think tanks and research organizations, were supported through this fund to conduct participatory country-led processes of governance assessment, enhancing the accountability of governments to their citizens. For example, UNDP is supporting Indigenous Peoples and Afro-descendants to engage actively in the national development process in **Nicaragua** through the officially established Consultative Council.

236. In **Mauritius**, support to CSOs is approached through the lens of volunteerism. Assistance was provided to the Government with the creation of a National Plan for Volunteerism to develop volunteering as an instrument for economic and social inclusive development. Trained volunteers are placed with CSOs to contribute to their activities, in particular in the area of equal access to quality education for vulnerable groups.

237. Over the last three years over 120 new partnerships have emerged between governments and the private sector around specific commodities, products or sectors to improve productivity, production and exports with the potential to improve the lives of the poor. In Africa alone this "value chain" approach is

used in 10 countries to diversify products, improve the policy environment and to target government investments, and has led to the creation of the Africa Inclusive Markets Facility as a means to scale up activities regionally. UNDP is the local agent initiating Global Compact chapters in programme countries and to date 40 countries with a total of 3,000 enterprises have enrolled. The importance of engaging the private sector as part of the policy process with government and civil society has led to UNDP becoming directly involved as facilitator, technical partner and trusted broker. The effective domestication of the European Social Fund in **Lithuania** was possible because of capacity building efforts targeting the private sector and civil society organizations. Focusing on corporate social responsibility and social inclusion issues, UNDP contributed to increased service delivery, particularly for socially excluded groups, and to expanded collaboration between civil society organizations and the private sector, including on-the-job training.

238. **Under outcome 2.4,** as part of its work on strengthening governing institutions, UNDP supports public administrations in national governments and local authorities, focusing on efficiency, effectiveness and public accountability to address the concerns and interests of poor people, women and other vulnerable or excluded groups. With 2010 expenditures of nearly $420 million, this outcome represents over 35% of all expenditures in the democratic governance focus area in 2010, and nearly 9% of 2010 UNDP expenditures globally. This outcome primarily addresses support for four areas: (1) economic and democratic transitions; (2) service delivery and MDG achievements; (3) state-building and peacebuilding in post-conflict countries; and (4) capacity development of institutions, at central and local levels, including e-government solutions. UNDP's interventions under this outcome are substantial in MICs, totaling nearly as much as the combined expenditure of LDCs, LICs and SDS countries. This is mainly due to the territorial and generational inequality challenges that developing middle income countries face, and their implications for public service delivery. There are substantial efforts in post-conflict countries also reported under this outcome.



239. UNDP assists countries in developing a legitimate, transparent and accountable public service to help political and economic transitions deliver on their promises, building bridges between the state and the people. In the **Maldives**, UNDP supports nationally driven public administration and local governance efforts, not only to strengthen checks and balances, but also to gradually change the bureaucratic culture of the administration, forging a stronger focus on professional values, accountability and the rule of law in public management. This process involves awareness raising campaigns for both civil servants and the general public on the new role of the public service. Similarly, with support from UNDP, **Viet Nam** developed a Public Administration Performance Index as a way to address the generally limited participation of citizens and civil society in policy-making and implementation, and also provides a means of holding the government accountable.

240. In **Zambia**, a code of ethics was introduced in the Cabinet Office and Ministry of Local Government and Housing and a leadership course launched to strengthen the capacity of District Councils to increase public sector service delivery. In addition, gender responsive budgeting was initiated through training and advisory services to budget committees in government institutions, which led to the issuance of a gender budgeting circular instituting a dedicated budget line for gender programmes at national and local levels. A notable result is the change achieved in the information management system of the Ministry of Lands that

now enables the disaggregation of land allocations by sex, to reinforce the policy to allocate 30% of land to women.

241. In a number of countries in 2010, UNDP supported strategies to ensure that regional and local governments contribute in a more focused manner to MDG acceleration. In this respect, there is recognition that efforts to accelerate the achievement of the MDGs deliver the best results when addressed at the subnational, service delivery level. This was demonstrated in the **Lao People's Democratic Republic**, where with support from UNDP, UNCDF and other development partners, significant improvements in institutional and human capacities have contributed to the effectiveness, transparency and accountability of public service delivery to the poor. As an example, the Lao Government has set up "One Door Service Centres" in provincial and district capitals to assist the poor with completing paperwork for the registration of land, marriages and births as well as information on other legal services. Work is now underway to closely link these reforms to the MDG Acceleration Framework.

242. Engaging civil society at the local level has resulted in clear improvements in public service delivery in **Colombia**, **Dominican Republic** and **El Salvador**, where UNDP has supported innovative participatory and capacity building mechanisms focusing on women and youth (PROLOGO). The PROLOGO initiative in Latin America promotes increased participation of vulnerable populations and new political leadership at the community level, through the strengthening of capacities in dialogue, interlocution, leadership development, networking and constructing concrete development proposals.

243. Building on longstanding support to decentralization processes in **Cambodia**, UNDP is focusing its assistance on improving the delivery of social services and increasing participation of women, youth and the poor in decision making. Children and Women Commune Committees are established throughout the country in 1,200 communes, to advise local councils on their concerns, and to promote women's participation in local development and politics. Based on citizen satisfaction surveys, 80% believe that communes respond to local needs with more focus on MDGs. The 2010 evaluation of UNDP's programme assistance concluded that "throughout the evolution of government policy from the mid-1990s to the present day, UNDP has been seen as the lead agency in coordinating support from numerous development partners to assist the Royal Government of Cambodia in formulating and implementing policies for democratic development and government decentralization and deconcentration."

244. Without a legal identity, marginalized people often have no voice or access to benefits, and may face human rights violations. In **Burundi**, UNDP support to the rehabilitation of the Civil Registry Services has had a critical impact in increasing citizen participation, through capacity development initiatives at national and commune level, equipping registry offices in all 129 communes with office and computer equipment, and the issuance of identity cards to over 1 million poor people. In **Georgia**, the Civil Registration Agency has increasingly established itself as a champion of successful reform and a leader in providing efficient public services. The modernized Civil Registration system, which received large scale support from UNDP in setting up management systems, digitalizing archives, setting business processes and modernizing infrastructure, is frequently referred nationwide as an outstanding success story.

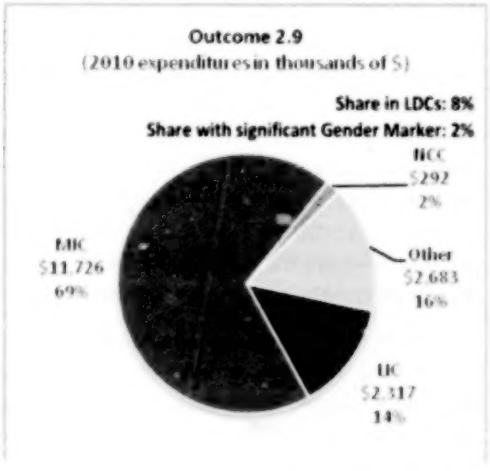
245. Budget constraints have pushed governments towards cost-saving measures, requiring innovative solutions to deliver services in more cost-effective ways, through new economies of scale. In **Macedonia**, an innovative service delivery solution alleviates some of the capacity needs of small municipalities. Besides strengthening service delivery, the mechanism of inter-municipal cooperation is used to enhance inter-ethnic dialogue of local self-government units. Fifty percent of all municipalities have received UNDP support for cooperation in areas such as urban planning, tax administration and local development, which contributed to improved access to basic services for over 700,000 people.

246. In **Sri Lanka**, digitized documentation registries have improved the efficiency of delivering essential civic documentation from as much as eight weeks to a few minutes, thus transforming the way communities in the conflict-affected areas and marginalized estate sectors access basic services such as

education, health care and justice. Divisional Secretariats are now able to address emerging challenges of land disputes, and 15 mobile clinics provide legal documentation to over 14,800 people. With policy advisory and technical support from UNDP, **Bangladesh** has rolled out dozens of e-services, accessed by millions of previously underserved people as part of the "Digital Bangladesh" agenda. Over 5 million government bills were paid through mobile phones, improving efficiency and limiting the risk of corruption. Information Service Centres, 50 percent of which are run by women, were implemented in all 4,501 local-level government locations across the country, providing access to services such as agriculture permits, tax payments and university admissions.

247. Given the complexity of the reform initiatives under this outcome, UNDP also plays an important role in facilitating the establishment of strategic partnerships for governance reforms. UNDP's ART Initiative (Support to Thematic and Territorial Networks for Human Development) launched in 2005 with several other UN agencies, has evolved into a strategic initiative for spearheading decentralized cooperation and promoting innovative approaches to territorial development. The programme established strong partnerships with several decentralized European cooperation networks, totaling over 600 governmental and non-governmental partners. The implementation of ART in **Ecuador**, for instance, has successfully resulted in the creation of spaces and tools for an effective articulation between local and national actors, mechanisms for territorial management and cooperation, and instruments for improved national planning and land management.

248. **Under outcome 2.9,** in 2010, UNDP supported initiatives to strengthen national, regional and local level capacity to implement anti-corruption across all regions. UNDP directly supported 12 anti-corruption institutions across the world to monitor services of the government institutions, to conduct anti-corruption gap analyses, to investigate cases of corruption and to increase coordination with government institutions, media and civil society on the fight against corruption. The total expenditure reported by 55 country offices under this outcome in 2010 was $17 million, though total estimated expenditure on anti-corruption in 2010 was nearly $75 million with **Afghanistan**, **Democratic Republic of the Congo**, **Iraq** and **Ukraine** together totaling over $30 million. UNDP support to anti-corruption aims at strengthening efficiency, transparency and integrity in public institutions both at national and local levels; engaging with media and civil society on anti-corruption; supporting national legislation and policy frameworks; and mainstreaming anti-corruption as a cross-cutting issue including through strengthening public institutions. In addition, UNDP has expended across five UNDP global and regional programmes a total of more than $5 million in advisory services to promote regional and national coordination and harmonization of anti-corruption assistance, and to strengthen knowledge, advocacy and awareness.



249. Due to the ratification of UN Convention against Corruption (UNCAC) by 151 countries to date and a global resurgence against corruption and fraud, UNDP support to anti-corruption initiatives has been increasing. In 2010, more than 32 countries, which were selected for UNCAC Review, benefitted from UNDP-UNODC training on UNCAC self assessments, leading to increasing the quality of reporting, increasing the space for national dialogue on anti-corruption, and expanding opportunities for broader governance reform. In order to encourage a multi-stakeholder engagement, UNDP introduced a methodology on how to conduct an UNCAC Self-Assessment, based on previous country experiences in countries such as **Bangladesh**, **Indonesia** and **Kenya**. The participatory methodology "Going beyond the

Minimum" was piloted in **Bhutan**, **Mongolia**, **Viet Nam** and **Maldives**, contributing to legislative and institutional reforms and the mainstreaming of anti-corruption in other development initiatives.

250. In **Bhutan**, these self assessments supported by UNDP have led to the development of revised anti-corruption strategies to streamline measures and develop workplans to combat corruption, while in **Maldives** and **Viet Nam** assessments conducted in 2010 will contribute to mandatory UNCAC review processes. In **Mongolia** the assessment was led by the Independent Agency Against Corruption, established in 2007 with UNDP support in developing and strengthening the professional and institutional capacities of the agency.

251. UNDP's support to the UNCAC review mechanism and training at the regional level has been particularly instrumental in strengthening the capacity of anti-corruption institutions, particularly in **Jordan** and **Iraq**. For example, UNDP strengthened the capacity of the Jordan Anti-Corruption Commission to implement its National Anti-Corruption Strategy, providing good examples for other countries in the region. In Iraq, UNDP supported the development of the first national Anti-Corruption Strategy and assisted in the gap analysis for compliance with UNCAC that led to improving working relationship between the Board of Supreme Audit and the Iraq Council of Representatives. Similarly, UNDP support resulted in the development of a national anti-corruption strategy in **Armenia** and a national anti-corruption plan in the **Philippines**.

252. In **Nigeria**, UNDP contributed to strengthening the capacity of the Independent Corrupt Practices Commission in creating a pool of experts to check the vulnerability and abuse of ministries, departments and agencies of government systems. In **Namibia**, UNDP's support to make Public Education and Corruption Prevention Unit in the Anti-Corruption Commission fully functioning contributed to increasing the reporting of corruption cases. In **Malaysia**, UNDP support has contributed to the long-term sustainability in capacity development of anti-corruption institutions and the lessons learned have been taken up by the 57 member States of the Organization of Islamic States. UNDP is providing the Malaysian Anti Corruption Academy (MACA) technical support to strengthen the technical know-how and skills in corruption prevention, detection, investigation and prosecution in these countries.

253. In 2010, UNDP developed tools and methodologies to mainstream anti-corruption in the health, education and water sectors, currently being used in 18 countries to collect and share good practices in reducing corruption bottlenecks. UNDP supported four pilots on civil society monitoring of service delivery and enhanced the engagement among public, private and non-profit sectors in a more constructive way. For example, in **India**, a UNDP project on ensuring transparency in payment of wages and efficiency in administration by introducing innovative technologies like smart cards, biometric devices and ATMs and by digitizing information has helped to prevent fraud in public resources and properly implement India's Rural Employment Guarantee Act.

254. UNDP explored the dynamics between corruption and post-conflict situations and looked at the effectiveness of anti-corruption programming based on empirical research in five countries. This work has significantly contributed to anti-corruption programming in post-conflict countries, particularly in **Afghanistan**, the **Democratic Republic of the Congo**, **Iraq**, **Nepal**, and **Timor-Leste**. In **Afghanistan**, where corruption has been identified as a major security problem, UNDP worked with civil society and community-based organizations and government institutions to streamline permit systems to reduce extortion points. Building on its detailed study on anti-corruption in post-conflict and recovery settings, UNDP is also realigning its anti-corruption support by mainstreaming it into broader governance reform agendas.

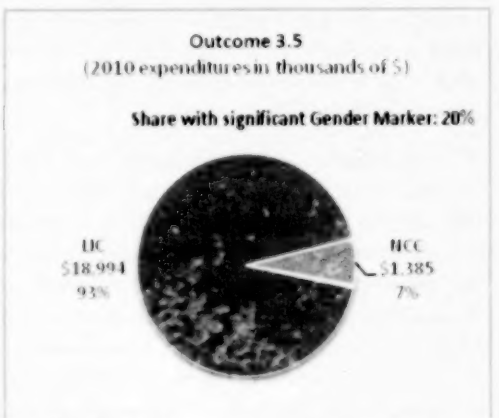
255. In 2010, UNDP continued to provide a platform for regional dialogue in Arab States through its Programme on Governance in the Arab Region and more recently by launching the "Anti-Corruption and Integrity in the Arab Countries" project. As a result, UNDP contributed to encouraging space for policy dialogue between state and non-state actors. In **Egypt**, Advocacy for transparency in the civil service and

for UNCAC supported by UNDP and led by the Ministry of State for Administrative resulted in broadening multi-stakeholder dialogue on anti-corruption and strengthening partnership with East Asian anti-corruption institutions. In **Yemen**, eight CSOs were trained on investigative journalism and reporting on corruption cases, contributing to increased reported cases on misuse of public resources and environmental crimes.

5.4 Crisis prevention and recovery

256. UNDP support **under outcome 3.5** for effective disaster preparedness is a critical part of its contribution to building national institutions and systems that are resilient to external shocks. In a context where the practice is largely one of externally-supported response to natural hazard events after they occur, UNDP's support is shifting the focus towards assisting national authorities, local governments and local communities to develop capacities to identify and analyze disaster risks, and to plan and lead disaster recovery processes through tools and guidelines that enable credible recovery plans.

257. In 2010 advance preparation for disasters in **Benin** reduced the toll of human suffering due to floods. Following massive flooding the previous year, the first-ever national Natural Disaster Contingency plan, adopted in July 2010, was activated in October 2010 in time to mobilize an effective response to the 2010 flood event. Through implementation of the plan 15 disaster assessment missions were deployed, cluster groups were activated to coordinate sector-specific flood responses, and 210 decentralized disaster response coordination units were established. After the 2009 floods UNDP provided technical and financial resources for the implementation of an Urban Planning policy through the Ministries of Decentralization and Urban Planning and Interior and Public Security. As part of an institutional reform UNDP reviewed the technical and logistical plans of national and local disaster response entities. Expertise was provided to build the capacity and to assist in preparing for rapid disaster assessments and a coherent national response strategy for hazard-sensitive sectors. These measures contributed to the increased government capacity seen in the 2010 flood response.



CPR practice in 2010	
Countries	86
...LDCs	32
Expenditure	$ 1,052 m
Outcome 3.5	
Countries	4
...LDCs	0
Expenditure	$ 20 m
Outcome 3.6	
Countries	13
...LDCs	8
Expenditure	$ 584 m

258. Better preparation also helped the government of **Tajikistan** to mobilize a faster and more efficient emergency response to the January 2010 Vanj earthquake and May Kulyab flash flood. This continued improvement reflects a shift in the national Disaster Risk Management system from a focus on immediate response to one which includes preparedness for early and longer-term disaster recovery. UNDP's support has been catalytic in promoting this shift. The Risk Monitoring and Warning System developed by UNDP was handed over to the Ministry of Economic Development and Trade and integrated into the newly established ministerial Risk Monitoring Centre. A UNDP early recovery policy roll-out project contributed to mitigation of interethnic and natural resource-related conflicts through 37 local level initiatives, benefiting over 140,000 people (52% women). These interventions contributed to recovery from emergencies that affected over 50% of the districts in the country throughout the year.

259. In the **Dominican Republic** in 2010 local governments took the lead, for the first time, on the implementation of recovery programmes developed in consultation with communities following floods in

2009. UNDP-supported assessments led to the development of 21 local level recovery plans that have enabled local authorities to mobilize resources from bilateral donors for locally-identified recovery priorities.

260. In **Mexico**, following floods in 2009 and other smaller scale disasters, local authorities in 99 municipalities with the support of UNDP have accessed central government funding to implement plans for livelihood, housing, and minor infrastructure recovery. UNDP supported implementation of these plans in 2010 in partnership with community based organizations, building upon the network of the well-established BDP/EEG Small Grants Programme.

261. Following massive flooding in **Pakistan** in 2010 the government established a Prime Ministerial-level Special Support Group (SSG) and a Provincial Relief, Rehabilitation and Settlement Authority (PaRRSA) to coordinate all emergency assistance. The PaRRSA secured more than US$ 100 million of post-disaster donor assistance. At government request UNDP facilitated the establishment of the SSG and PaRRSA and supported the government to assess human recovery needs arising from flood impacts on MDG achievement as part of a post-disaster needs assessment (PDNA).

262. In **Moldova,** following floods in August 2010, the government led a PDNA that provided a comprehensive evidence base on disaster impacts as a basis for organizing and financing flood recovery. The government of Moldova has publicly recognized the highly effective support provided by UNDP to the process. UNDP leads PDNA implementation on behalf of the UN system as a joint undertaking between the United Nations, the European Commission and the World Bank.

263. Countries have begun to develop national PDNA methodologies with UNDP support. In **Indonesia** a PDNA was conducted in Padang using a locally adapted version of the methodology covering six districts following the West Sumatra Earthquake of September 2009. Based on this assessment, a West Sumatra Action Plan for Rehabilitation and Reconstruction is being implemented in 2010 by the Government with support from UNDP and other international agencies.

UNDP Contributions in Haiti

UNDP contributed to two key goals in Haiti over the first 12-month period since the earthquake struck:

1. Assisting the population on a path back to recovery by working with local communities

Since the beginning of the crisis, UNDP's cash-for-work and food-for-work programmes in partnership with the WFP have employed over 240,000 Haitians around the country, 40% of them women. These jobs have not only provided work for those who lost their livelihoods due to the earthquake, but they have cleared rubble, cleaned water evacuation channels and collected garbage from earthquake-shattered neighborhoods. Through these programmes, UNDP provided a much-needed injection of cash into the local economy, benefitting an estimated 1.2 million people. In Leogane, the epicenter of the earthquake, another labor-intensive initiative began to support Leogane to remove2.5 million cubic meters of debris produced by the collapse of 35,000 houses. To date, a sustainable process has been established featuring: (a) a legal process for demolition of houses; (b) brigades organized by NGOs and CBOs employing more than 2000 workers paid through cell phones; (c) private and NGO partnerships resulting in 85,000 cubic meters of debris removed; (d) a recycling site; and (e) the rebuilding of houses in the neighborhoods. Cash injected into the local economy benefitted an estimated 1.2 million people.

2. Supporting the government in its mission to deliver basic services to its citizens, especially those who were most affected by the earthquake

The Government of Haiti obtained USD 10 billion in recovery and reconstruction pledges on the basis of a comprehensive post-disaster needs assessment that included a recovery framework. UNDP is developing the capacities of government officials to deliver basic government services in a number of areas:

Disaster risk reduction: The Haitian Department of Civil Protection (DPC) established early warning, contingency planning, logistical and communications systems at national and departmental levels, greatly

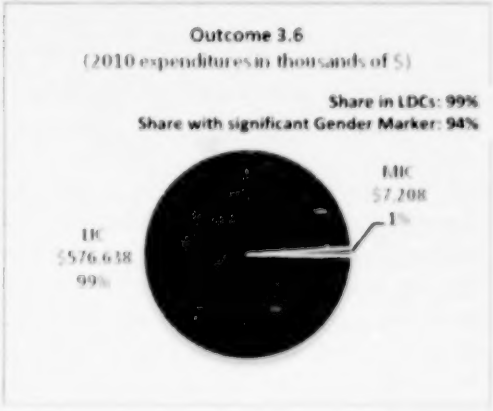
enhancing its response capacity as the 2010 hurricane season approached. These systems were set up with UNDP support and helped ensure that when hurricane Tomas hit, a national DPC Emergency Operation Centre in Port-au-Prince and 10 local centres and their trained staff were able to keep the population informed about emerging risks. These Centres were also able to gather information about the developing situation in each region of Haiti and provide immediate aid when necessary.

Elections: Despite massive disruption, the government of Haiti was able to continue with election preparations in 2010. UNDP's contribution included the acquisition and distribution of 24,000 kits consisting of polling booths, ballot boxes, ballots, tally sheets and indelible ink. UNDP also helped set up a Voter Tabulation Centre, a key element in the election process, and provided training and support to the Provisional Electoral Council for the payment of salaries of election workers responsible for core electoral operations.

Aid coordination: The Haiti Interim Recovery Commission was able to perform its management and coordination functions effectively, building on UNDP's significant expansion of its already existing aid management system. The Commission's web portal now tracks pledges, expenditures and results. In 2010 the system included some 145 concept notes and 120 approved and on-going projects including more than 1,400 humanitarian activities with total commitments worth $3.5 billion and disbursements amounting to $1.6 billion.

Justice and security: Haiti was able to avoid civil unrest and widespread breakdown in law and order despite the volatile political environment when the earthquake struck and the almost complete cessation in social services that followed. UNDP's contribution in this regard included the creation of 1,200 m2 of fully-equipped temporary office space for the Ministry of Justice and the Haitian National Police to help re-establish the administration of justice. UNDP also sponsored training sessions for 160 public prosecutors, magistrates and police officers, 16 Ministry of Justice staff and 16 magistrates, who received specialized training in France.

264. **Under outcome 3.6,** evaluations in 2009 and 2010 found significant UNDP contributions to post-conflict governance capacities in countries recovering from prolonged periods of political deadlock, instability, turbulent transition, and violent conflict, helping them rebuild and reform crucial post-conflict governance institutions. Reflecting its conflict prevention and post-crisis governance mandates, UNDP support to programme countries included support to elections in post-conflict transitions, helping to build local 'infrastructures for peace', and strengthening capacity for peacebuilding and conflict prevention.



265. Three countries—**Togo, Solomon Islands, and Kenya**—where previous elections had seen extensive violence, held peaceful votes in 2010 with vital assistance from UNDP. In all three countries, violence during the previous polls had been triggered not just by elections *per se*, but also by disputes on sharing power over natural resources. UNDP assistance focused on helping them develop their own means of preventing violence, resolving conflicts, and reaching political consensus.

266. In **Togo**, UNDP facilitated a successful nationally-led inter-party dialogue, which reached agreement in advance of elections on key post-election governance reforms and on a national architecture for conflict

management, modeled on **Ghana's** UNDP-assisted National Peace Council. A political party "code of conduct" was also developed and applied.

267. In **Kenya** a violence-free referendum on a new constitution was conducted in 2010 thanks in large part to UNDP technical assistance to the relevant Parliamentary Committee and to the political parties, helping them to reach broad consensus on the draft constitution prior to the referendum. UNDP support helped set up and operationalize peace committees, and build confidence among the population in some of the areas experiencing political tension. It also enabled the creation of the Uwiano Platform, which connected a community-level network of mediators, enabling them to undertake timely interventions in high-risk areas. Around 150 potentially violent incidents were successfully dealt with through this network in the volatile Rift Valley province alone. It is worth noting that violence prevention efforts in advance of the Kenya referendum cost around US$ 5 million, compared to the estimated US$ 3.6 billion of economic losses from the violence-plagued election in 2007.

268. In **Solomon Islands**, the national Truth and Reconciliation Commission conducted public hearings between 2009 and 2010 on the repeated cycles of violence. UNDP assistance to these hearings, coupled with support for more comprehensive election monitoring, helped lower mistrust and tension in advance of the 2010 polls.

269. In **Kyrgyzstan** the Oblast Advisory Committees helped to calm political tensions right through the tense national elections thanks to UNDP support. In a similar effort in **Guinea**, a UNDP-assisted dialogue platform, combined with local peace initiatives, helped limit the scale of violence when it erupted. The successful political transitions that ensued in both countries helped them resolve significant political deadlock and upheaval and embark on sustainable recovery. To help them achieve this goal, UNDP developed the capacities of their governance institutions and civil society organizations to manage conflict and promote peace.

270. In **Southern Sudan** the capacities of peace-building and conflict management institutions were upgraded and core governance functions restored in a conflict-sensitive manner, capitalizing on the talents of local communities, youth and women that are vital for recovery. UNDP contributed to this outcome by working with the Government of Sudan (GoSS) to conduct an assessment of core functions of statehood required in the lead-up to the referendum. This assessment made it possible for the 2011-2015 *Sudan Development Plan* to: i) place proper emphasis on the roles of communities in providing for their own security; ii) integrate conflict and violence prevention capacities into the governance capabilities being re-established at national, state, and local government levels; and iii) engage frontally with the challenge of recurring conflicts over land and natural resources. These capacities will contribute to enabling **Southern Sudan** to complete a stable transition to independence.

271. **Liberia** undertook in 2010 a comprehensive capacity assessment and prioritization exercise to support the ongoing transition to full recovery, enabled and facilitated by UNDP. This effort made it possible for President Johnson-Sirleaf to launch a National Capacity Development Strategy. UNDP is now assisting the coordination of contributions by development partners to operationalize this plan.

272. In 2010, **Afghanistan** developed a Peace and Reintegration Programme (APRP) and created a Programme secretariat and Peace and Reintegration Trust Fund. UNDP provided comprehensive technical assistance to the entire APRP process, greatly enhancing the ability of communities to participate more actively in securing their own livelihoods and safety, and ensure the successful reintegration of returning combatants.

273. **The Philippines** government undertook an innovative initiative aimed at enabling former combatants to participate in peacebuilding. Between 2009 and 2010, 22 leagues and alliances of former

combatants became Peace and Development Advocates, contributing to the attainment of sustainable peace. This effort succeeded thanks to UNDP assistance in identifying and developing the peacebuilding capacities of these combatants.

274. In **Costa Rica**, **Honduras**, **El Salvador**, and **Guatemala**, youth were engaged in violence prevention initiatives, local capacities for citizen security and reducing gender-based violence were enhanced, and the design and implementation of national social compacts and policies were expedited. UNDP's support to these initiatives focused on community level action, and sought to align them with UNDP-supported approaches developed in Latin America to combat growing levels of citizen insecurity.

275. Government, political party and civil society representatives from fourteen African countries adopted in 2010, under UNDP facilitation and sponsorship, an "infrastructures for peace" approach to their national peacebuilding goals. They defined the approach as "*dynamic networks of interdependent structures, mechanisms, resources, values, and skills which, through dialogue and consultation, contribute to conflict prevention and peace-building in a society.*" UNDP is currently assisting them in meeting their commitment to develop and implement concrete national plans in this regard.